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July 15, 2011

Mr. Brian Mayhew
Chief Financial Officer
Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607

Re: 390 Main Street Preliminary Investment Summary

Dear Brian:

We have completed our initial analysis and present to you our Development Pro Forma Model for the potential acquisition of 390 Main Street, San Francisco California. This presentation includes several sections:

- The Capital and Tenant Improvement Construction Costs: Base Building Capital analysis and BAAQMD Budget
- The Investment Analysis
- The Marketing Plan and Marketing Statistical Data

We have summarized below the key areas of each of these sections for your immediate review.

Capital Requirements and Tenant Improvement Construction Costs

390 Main Budget Assumptions: This specific analysis illustrates the comparison between the due diligence information provided by CBRE and the Cushman & Wakefield review of these costs. For investment analysis purposes we included the C & W “all inclusive” budget of \$29,819,073. This also includes the enhancement and relocation of a “Class A” lobby entrance somewhere near the corner of Beale and the north facing side of the building (\$1,500,000). Although this is an alternate, leasing felt that this would insure both better positioning of the asset in the market as well as a clear and unimpeded access to the building if redevelopment occurs in the adjacent parking lot.

Please note the adjustment of \$3,680,832 to the Agency Tenant Improvements – which represents the BAAQMD delta in costs for “all in” turnkey including F F & E.

Please note the following:

- There is no “construction contingency” in these budgets for either base building or upgrades
- Neither CBRE or C & W added a budget for “refurbishing” interiors or mechanical equipment of the two (2) freight elevators
- All square footage has been changed to reflect 60,800 SF per floor – load factor has not been considered. The total SF of the building for this purpose then becomes 460,600 SF of leasable space.

BAAQMD Project Budget: This is the updated project costs for this tenant based on 60,800 square feet of space or the entire 7th floor of the building. Following are the assumptions:

Description	Budget Amount	Notes
Proj. Tenant Improvements	\$ 8,848,954	\$145.54/SF
Pro Rata Bldg Purchase Cost	\$ 12,933,225	Of \$105,750,000
Pro Rata Bldg Improv. Basic	\$ 1,472,374	Of \$12,039,035
Purchase Value	\$ 23,254,553	\$ 382.48/SF

Utilization of Ground Floor for Garage

We have included in this section a summary of information on retrofitting part of the ground floor for a garage. Considering “Transit first” status of the City, it would be imperative to hire a consultant to complete a parking study to develop the parking plan. The summary includes the limitation and issues for the utilization of this space for parking with some upfront costs for additives to the structure.

Financial Analysis

The Investment Analysis is provided specifically to calculate the returns anticipated for the leasing of the non agency space and presents the analysis in three scenarios: Conservative, Base Case and Optimistic. Although this should be thoroughly reviewed for accuracy of assumptions and forecast, here are some of the highlights:

Return Summary

- The total acquisition costs are \$159,570,000 with agency space comprising approximately 196,640 square feet.

- Included in the Argus analysis is an allocation of the acquisition cost less the agency tenant improvements a “cash in” of \$77,692,159 for the allocation of 57.3% of the total square footage of the building
- Non Agency assumptions include an allocation of \$17,089,180 for the initial capital allocation (from the \$29,820,000)
- Hold period: 10 years
- Residual cap rate: 7.0%

Internal Rate of Return (IRR) Sensitivity

Optimistic Assumptions were illustrated in the Argus as a 15% increase over the Base case rent assumptions or \$40/SF on office rent. Also the tenant improvements were decreased by \$10/sf. Base rent assumptions for the Base Case and Conservative assumptions were \$35/sf. Following is the mid range return scenarios:

Optimistic IRR: 9.28%
Base Case IRR: 6.17%
Conservative IRR: 4.77%

Analysis Assumptions includes all leasing assumptions for the next 10 years. Please note the rent growth for the first three years is higher than average to indicate the market “catch up” from the recession rates! Also note that we exclude 28,500 SF of the 1st floor that will be used as parking and storage.

The Cash Flows are presented with the three scenarios.

Strategic Leasing Plan

Our presentation for leasing the “non-agency” space is presented in three parts: The Marketing Plan, the Strategic Leasing Plan, and the Market Overview.

The Marketing Plan incorporates several key areas

- The Leasing Process
- Objectives including the current “Tenant Demand Profile”
- The Strategy
- The Communication Program
- The Action Plan

It is important to note that key indicators today prove that the targeted tenants for the South of Market submarket are searching for “creative” space with large floor plates. The 390 Main Street building is positioned for both this “creative space” and the large users currently in the market. The latest statistics indicate that there are currently 30 tenants in the market requiring 25K to 50K SF and another 14 active tenants searching the market for 50K to 100K SF. (Pie charts are incorporated in the Market Overview section.)

As of June 21, 2011 there was 4,000,000 SF of requirements in the overall market. Our target market included in that activity is broken down below by the industry segments:

Sector	Active SF
Government/Utility	130,000
Software/Technology	580,000
Architecture/Engineering	200,000
Advertising/Media	40,000
Total	950,000

We have presented historic demand since 1995 for the Citywide market. We then segregated the “Historic Demand Profile” (from 2007) to illustrate the strength of the target market as presented above. Between 2007 and 2010 the demand for the industry segments being targeted averaged 32% of the total demand in the market. In 2011, the demand for those sectors rose to 49% which represents the strategy within the demand profile targeted for the leasing of non-agency space at 390 Main Street.

The Strategic Leasing Plan incorporates the general scope and terms of the leasing assumptions presented for Ownership approval. These parameters coincide with the leasing assumptions presented in the Argus Summary but are also intended to outline general business terms for individual transactions and reflect the “current” market, current Tenant and Landlord compromises and assumptions. Key indicators of those terms are:

- Projected Lease Up: 24 months
- One full floor tenant and three floors of 20,000 sf tenants
- Lease term: 5 years (full floor may negotiate a 10 year term)
- Tenant Improvements: \$55 - \$65/SF over warm lit shell
- Commissions – Standard market: \$1.50/sf/year with max of \$12.00/sf.
- Adjustments in assumptions included in the three scenarios for the Investment analysis

The Market Overview presents for your review all current statistical information including those properties which will be considered in the competitive set by building type and location. The five comparable buildings all but one building (370 Third) are at nearly full occupancy. 370 Third Street is a 390,000 square foot building with 367,000 square foot vacant or 94%. We

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believe that the market should absorb this space prior to actively marketing 390 Main Street.
The Cushman & Wakefield statistics for 2Q11 for the SOMA sub market:

Inventory	23,261,955 sf
Overall Vacancy Rate	8.6%
Overall Available Space	1,994,976 sf
Class A Direct Asking Rent	\$41.57 FS
YTD Overall Absorption	310,042 sf

It should be noted that Class B space, comparable to 390 Main Street will be priced at a discount to Class A or with today's start rate at \$35.00/sf FS.

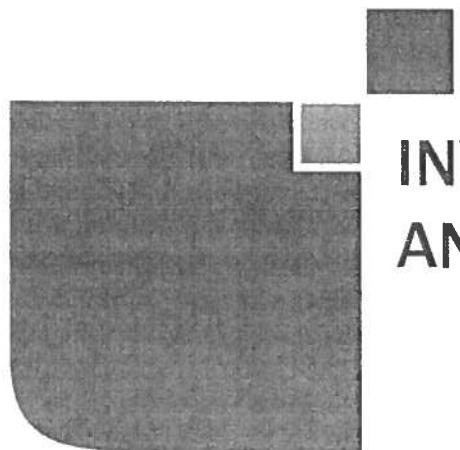
We are available to review this presentation further and or to redefine some of the required capital and assumptions on the investment analysis. Please let us know if we should set up a time for this review. With schedules a consideration Sandra Boyle (415-773-3527) or Jim Arce (415-773-3503) will be available if you would like to schedule a call.

Sincerely,

CUSHMAN & WAKEFIELD of CALIFORNIA, INC.

A handwritten signature in black ink, appearing to read "SAR" followed by a stylized "B".

Steve M. Ring, CPM, RPA, LEED AP
City Leader
Northern California



INVESTMENT ANALYSIS

C&W Capital Markets
 Investment Analysis
 MTC Purchase Requirement
 390 Main Street, San Francisco, CA
 Last Revised - July 15, 2011
 Capital Investment / Returns Summary



390 Main Street
 San Francisco, CA

Acquisition Overview

Building Total Rentable Square Footage	460,600	
Estimated Acquisition Date	January 1, 2012	
	<u>Total \$</u>	<u>\$/SF</u>
Acquisition Price	\$105,750,000	\$229.59
Agency Tenant Improvements	\$24,000,000	\$52.11
Total Additional Capital Investment ¹	<u>\$29,820,000</u>	<u>\$64.74</u>
Total Acquisition Cost	<u>\$159,570,000</u>	<u>\$346.44</u>
Agency Space	196,640	
Non-Agency Space	263,960	
% Non-Agency Space	57.3%	
Non-Agency Space Allocated Acquisition Price	\$60,602,979	\$229.59
Non-Agency Space Allocated Capital Investment	\$17,089,180	\$64.74
Non-Agency Allocated Acquisition Cost ²	<u>\$77,692,159</u>	<u>\$294.33</u>

Non-Agency Lease-Up Assumptions

	Conservative	Base Case	Optimistic	
Lease-Up Period from Acquisition Date	24 Months - 11 Tenants	20 Months - 11 Tenants	20 Months - 11 Tenants	
Lease Terms	5 Years	5 Years	5 Years	
Annual Market Rent PSF	Office: \$35 FS / Retail: \$25 NNN	Office: \$35 FS / Retail: \$25 NNN	Office: \$40 FS / Retail: \$28.75 NNN	
	<u>Total \$</u>	<u>\$/SF</u>	<u>Total \$</u>	<u>\$/SF</u>
Allocated Additional Capital Investment	\$17,089,180	\$64.74	\$17,089,180	\$64.74
Multi-Tenant Costs	\$1,319,800	\$5.00	\$1,319,800	\$5.00
Capital Leasing Costs (TIs, Leasing Commissions etc.)	\$21,762,506	\$82.45	\$17,745,835	\$67.23
Total Non-Agency Investment ³	<u>\$100,774,465</u>	<u>\$381.78</u>	<u>\$96,757,794</u>	<u>\$366.56</u>

Cash Flow Summary (Non-Agency Only)

	Total \$	\$/SF	Total \$	\$/SF	Total \$	\$/SF
Year 1 Net Operating Income (non-stabilized)	(\$3,018,254)	(\$11.43)	(\$2,036,163)	(\$7.71)	(\$1,877,515)	(\$7.11)
Year 2 Net Operating Income (non-stabilized)	(\$956,633)	(\$3.62)	\$2,200,060	\$8.33	\$3,036,825	\$11.50
Year 3 Net Operating Income (non-stabilized)	\$3,776,092	\$14.31	\$5,635,121	\$21.35	\$6,974,083	\$26.42
Year 4 Net Operating Income (stabilized)	\$6,128,175	\$23.22	\$5,878,490	\$22.27	\$7,218,046	\$27.35

Building Residual Value Summary (Non-Agency Only)

MTC Hold Period	10 years	10 years	10 years	
Date of Sale	December 31, 2021	December 31, 2021	December 31, 2021	
Residual Cap Rate	7.0%	7.0%	7.0%	
	<u>Total \$</u>	<u>\$/SF</u>	<u>Total \$</u>	<u>\$/SF</u>
Residual Sale Net Proceeds	<u>\$117,514,757</u>	<u>\$445.20</u>	<u>\$117,306,012</u>	<u>\$444.41</u>

Return on Investment (Non-Agency Only)

Year 1 Cap Rate (non-stabilized)	-3.00%	-2.10%	-1.99%
Year 2 Cap Rate (non-stabilized)	-0.95%	2.27%	3.23%
Year 3 Cap Rate (non-stabilized)	3.75%	5.82%	7.41%
Year 4 Cap Rate (stabilized)	6.08%	6.08%	7.67%
Investment IRR (over hold period)	4.77%	6.17%	9.28%

Notes:

1. Additional Capital Investment is based on \$29,820,000 for entire building allocated on a PSF basis. These costs are detailed on the Budget created by C&W dated 07/14/2011.

2. Total Non-Agency Allocated Acquisition Cost excludes Agency Tenant Improvements

3. Total Non-Agency Investment = Allocated Acquisition Cost + Multi Tenant Costs + Capital Leasing Costs

4. Above investment analysis does not include the \$17M contingency figure

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C&W Capital Markets
 Investment Analysis
 MTC Purchase Requirement
 Last Revised - July 15, 2011
 Internal Rate of Return (IRR) Sensitivity

Optimistic

		Residual Sale Cap Rate				
		7.50%	7.25%	7.00%	6.75%	6.50%
Office Market Rent	\$45.00	11.07%	11.36%	11.66%	11.97%	12.29%
	\$40.00	8.69%	8.98%	9.28%	9.59%	9.92%
	\$35.00	5.97%	6.25%	6.55%	6.87%	7.19%

Base Case

		Residual Sale Cap Rate				
		7.50%	7.25%	7.00%	6.75%	6.50%
Office Market Rent	\$40.00	8.31%	8.60%	8.90%	9.21%	9.54%
	\$35.00	5.58%	5.87%	6.17%	6.49%	6.82%
	\$30.00	2.35%	2.64%	2.94%	3.26%	3.59%

Conservative

		Residual Sale Cap Rate				
		7.50%	7.25%	7.00%	6.75%	6.50%
Office Market Rent	\$40.00	6.82%	7.12%	7.44%	7.77%	8.11%
	\$35.00	4.15%	4.45%	4.77%	5.09%	5.44%
	\$30.00	0.94%	1.25%	1.56%	1.89%	2.24%

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	General Assumptions:	Conservative	Base Case	Optimistic
Total Rentable Square Footage (RSF)	460,600	460,600	460,600	263,960
Non-Agency Space RSF ^a	263,960	263,960	263,960	January 1, 2012
Date of Value	January 1, 2012			10 Years
Analysis Term	10 Years	10 Years	10 Years	10 Years
% Leased at Sale (Non-Agency Space Only)	0.0%	0.0%	0.0%	0.0%
Market Rent Growth	Year 1: 10% Year 2: 10% Year 3: 7.5% Thereafter: 3%	Year 1: 10% Year 2: 10% Year 3: 7.5% Thereafter: 3%	Year 1: 10% Year 2: 10% Year 3: 7.5% Thereafter: 3%	Year 1: 10% Year 2: 10% Year 3: 7.5% Thereafter: 3%
Est. Operating Expenses\$/SF/YR	\$15.00	\$15.00	\$15.00	\$15.00
CPI Growth	3% annually	3% annually	3% annually	3% annually
Vacancy and Collection Factor	5.0%	5.0%	5.0%	5.0%
Capital Improvements:				
Additional Capital Investment PSF	\$64.74	\$64.74	\$64.74	
Multi-Tenant Costs PSF	\$5.00	\$5.00	\$5.00	
Annual Capital Reserves PSF	\$0.20	\$0.20	\$0.20	\$0.20
Vacant Space - Market Leasing Assumptions:				
Office Area	Retail Area	Office Area	Retail Area	Retail Area
Rentable Square Footage (RSF)	258,642	258,642	5,317	5,317
Annual Starting Market Rent\$/SF	\$35.00	\$35.00 + percentage rent	\$25.00 + percentage rent	\$28.75 + percentage rent
Lease Type	Full Service	Full Service	NNN	NNN
Lease Term	5 years	5 years	5 years	5 years
Annual Lease Escalations	\$1.00/SF/YR	\$1.00/SF/YR	\$1.00/SF/YR	\$1.00/SF/YR
Leasing Commissions	New: \$11.25/SF (\$2.25/SF/YR) Renew: \$7.50/SF (\$1.50/SF/YR)	New: 9% Renew: 6%	New: 9% Renew: 6%	New: 9% Renew: 6%
Tenant Improvements	Initial Lease-Up: \$600,000 New: \$25/SF Renew: \$15/SF	Initial Lease-Up: \$55/SF New: \$25/SF Renew: \$15/SF	Initial Lease-Up: \$500,000 New: \$25/SF Renew: \$15/SF	Initial Lease-Up: \$45/SF New: \$25/SF Renew: \$15/SF
Vacancy Between Leases	10 months	10 months	6 months	6 months
Free Rent	7 months	7 months	3 months	3 months
Renewal Probability	75%	75%	75%	75%
Vacant Space Lease-Up:	Floors 2 - 5: 10 tenants / 24 mos	Ground Floor: 1 tenant / 10 mos	Floors 2 - 5: 10 tenants / 20 mos	Floors 2 - 5: 10 tenants / 20 mos
Reversion Assumptions:				
Reversion (\$Sale Price) Cost of Sale	0.80%	0.80%	0.80%	0.80%
Reversion (\$Sale Price) Cap Rate	7.00%	7.00%	7.00%	7.00%

Notes:

1. Approximately 25,800 sf was excluded from the building's total RSF. It is assumed this area would be converted into building parking.
2. All MTC / Agency space is excluded from the analysis. Any costs associated with the entire building are allocated based on \$/SF.
3. Additional Capital Investment is based on \$29,820,000 for entire building allocated on a PSF basis. These costs are detailed on the Budget created by C&W dated 07/14/2011.
4. There is a lease in place with GSA on the 8th floor through June 2013, it is assumed MTC would phase into this space and therefore any rental revenue is excluded from this analysis.

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C&W Capital Markets
 Investment Analysis
 MTC Purchase Requirement
 Last Revised - July 15, 2011
 Stacking Plan / Lease-Up Schedule

Total Building RSF (based on 8 floors / 60,800 sf per floor): 486,400

Estimated Floor Plate: 60,800

Ground Floor / Parking Area - to be excluded 25,800

Net Building RSF (less ground floor parking): 460,600

Estimated Bldg Load Factor: 1.0635

Total Agency / MTC Space (RSF): 196,640

Total Non-Agency / Vacant Space (RSF): 263,960

	Use	Size (RSF)	Size (RSF) with Bldg load factor	Tenant	Lease-Up
1st Floor	Common: Lobby, lockers, auditorium etc.	22,500	0	n/a (common)	n/a
1st Floor	Conference/Amenity Space	5,000	0	n/a (common)	n/a
1st Floor	Air Quality - Lab	2,500	2,659	Air Quality	n/a
1st Floor	Retail	5,000	5,317	New Tenants	Retail Tenant 1 - Mo 9
2nd Floor	Office	60,800	64,661	New Tenants	Office Tenant 1 - Mo 2 Office Tenant 2 - Mo 4 Office Tenant 3 - Mo 6
3rd Floor	Office	60,800	64,661	New Tenants	Office Tenant 4 - Mo 8 Office Tenant 5 - Mo 10 Office Tenant 6 - Mo 12
4th Floor	Office	60,800	64,661	New Tenants	Office Tenant 7 - Mo 14 Office Tenant 8 - Mo 16 Office Tenant 9 - Mo 18
5th Floor	Office	60,800	64,661	New Tenant	Office Tenant 10 - Mo 20
6th Floor	Office	60,800	64,661	MTC / ABAG	n/a
7th Floor	Office	60,800	64,661	Air Quality	n/a
8th Floor	Office	60,800	64,661	GSA thru 06/2013 MTC after GSA vacates	n/a
		460,600	460,600		

390 Main Street
San Francisco, CA

Software ARGUS Ver 14.0.2
File 390 Main Street - San Francisco
Property Type Office & Retail
Portfolio
Date 7/6/11
Time 9:32 am
Ref# AJP
Page: 1

Schedule Of Prospective Cash Flow
In Inflated Dollars for the Fiscal Year Beginning 1/1/2012

For the Years Ending	Year 0 Dec-2012	Year 1 Dec-2013	Year 2 Dec-2014	Year 3 Dec-2014	Year 4 Dec-2015	Year 5 Dec-2016	Year 6 Dec-2017	Year 7 Dec-2018	Year 8 Dec-2019	Year 9 Dec-2020	Year 10 Dec-2021
Potential Gross Revenue											
Base Rental Revenue	\$9,185,430	\$9,854,362	\$10,113,308	\$10,113,310	\$10,113,310	\$10,408,370	\$11,908,977	\$13,122,053	\$13,122,052	\$13,122,052	
Absorption & Turnover Vacancy	(8,408,865)	(4,563,932)				(724,593)	(1,608,348)	(520,343)			
Base Rent Abatements	(776,544)	(2,903,145)	-2219739			(347,011)	(3,595,382)	(3,649,161)			
Scheduled Base Rental Revenue	0	2,397,285	7,893,569	10,113,310	10,113,310	9,336,766	6,705,247	8,552,549	13,122,052	13,122,052	
Base Rental Step Revenue	22,154	155,144	299,250	562,021	824,916	954,486	481,358	120,269	366,268	630,228	
Expense Reimbursement Revenue											
Operating Expenses	13,293	111,245	203,622	329,635	459,434	526,219	284,228	117,995	264,081	414,553	
Total Reimbursement Revenue	13,293	111,245	203,622	329,635	459,434	526,219	284,228	117,995	264,081	414,553	
Total Potential Gross Revenue	35,447	2,663,674	8,396,441	11,004,966	11,397,660	10,817,471	7,470,833	8,790,813	13,752,401	14,166,833	
General Vacancy			(419,822)	(550,248)	(569,883)				(687,520)	(708,342)	
Effective Gross Revenue	35,447	2,663,674	7,976,619	10,454,718	10,827,777	10,817,471	7,470,833	8,790,813	13,064,781	13,458,491	
Operating Expenses	3,053,701	3,620,307	4,200,527	4,326,543	4,456,340	4,523,710	4,582,966	4,786,724	5,015,649	5,166,119	
Total Operating Expenses	3,053,701	3,620,307	4,200,527	4,326,543	4,456,340	4,523,710	4,582,966	4,786,724	5,015,649	5,166,119	
Net Operating Income	(3,018,254)	(956,633)	3,776,092	6,128,175	6,311,437	6,293,761	2,887,867	4,004,089	8,049,132	8,292,372	
Leasing & Capital Costs											
Tenant Improvements	5,126,340	9,052,400	4,526,270			687,142	2,210,516	1457945			
Leasing Commissions	787,265	1,498,494	771,737			421,656	1,367,054	894648			
Additional Capital Investment	17,089,180										
Multi-Tenant Costs	1,319,800										
Annual Capital Reserve	52,792	54,376	56,007	57,687	59,418	61,200	63,036	64,928	66,875	68,882	
Total Leasing & Capital Costs	24,375,377	10,605,270	5,354,014	57,687	59,418	1,169,998	3,640,606	2,417,521	66,875	68,882	
Cash Flow Before Debt Service & Taxes	(\$27,393,631)	(\$11,561,903)	(\$1,577,922)	\$6,070,488	\$6,312,019	\$5,123,763	(\$752,739)	\$1,586,568	\$7,982,257	\$8,223,490	
TOTAL CF	(\$60,602,979)	(\$27,393,631)	(\$11,561,903)	(\$1,577,922)	\$6,070,488	\$6,312,019	\$5,123,763	(\$752,739)	\$1,586,568	\$7,982,257	\$125,738,247
Unleveraged IRR	4.77%										

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390 Main Street
San Francisco, CA

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Schedule Of Prospective Cash Flow
In Inflated Dollars for the Fiscal Year Beginning 1/1/2012

For the Years Ending	Year 0 Dec-2012	Year 1 Dec-2013	Year 2 Dec-2014	Year 3 Dec-2015	Year 4 Dec-2016	Year 5 Dec-2017	Year 6 Dec-2018	Year 7 Dec-2019	Year 8 Dec-2020	Year 9 Dec-2021	Year 10 Dec-2021
Potential Gross Revenue											
Base Rental Revenue	\$9,185,427	\$9,713,486	\$9,713,488	\$9,713,488	\$9,713,488	\$10,455,344	\$12,198,130	\$12,925,419	\$12,925,419	\$12,925,419	\$12,925,419
Absorption & Turnover Vacancy	(7,232,992)	(2,489,422)				(898,097)	(1,250,931)				
Base Rent Abatements	(913,351)	(1,515,020)				(1,000,137)	(1,963,154)	(268,062)			
Scheduled Base Rental Revenue	1,039,084	5,709,044	9,713,488	9,713,488	9,713,488	8,557,110	8,984,045	12,657,357	12,925,419	12,925,419	12,925,419
Base Rental Step Revenue	66,463	188,804	386,834	649,546	912,583	829,176	296,338	211,849	475,809	739,769	
Expense Reimbursement Revenue											
Operating Expenses	39,878	130,543	252,992	379,006	508,802	467,526	206,866	189,584	335,669	486,139	
Total Reimbursement Revenue	39,878	130,543	252,992	379,006	508,802	467,526	206,866	189,584	335,669	486,139	
Total Potential Gross Revenue	1,145,425	6,028,491	10,353,314	10,742,140	11,134,873	9,853,812	9,487,247	13,058,790	13,736,897	14,151,327	
General Vacancy			(517,666)	(537,107)	(556,744)			(652,940)	(686,845)	(707,566)	
Effective Gross Revenue	1,145,425	6,028,491	9,835,648	10,205,033	10,578,129	9,853,812	9,487,247	12,405,850	13,050,052	13,443,761	
Operating Expenses	3,181,588	3,828,431	4,200,527	4,326,543	4,456,340	4,508,093	4,615,137	4,869,563	5,015,649	5,166,119	
Total Operating Expenses	3,181,588	3,828,431	4,200,527	4,326,543	4,456,340	4,508,093	4,615,137	4,869,563	5,015,649	5,166,119	
Net Operating Income	(2,036,163)	2,200,066	5,635,121	5,878,490	6,121,789	5,345,719	4,872,110	7,536,287	8,034,403	8,277,542	
Leasing & Capital Costs											
Tenant Improvements	6,427,350	8,298,015					1,459,037	2,830,944			
Leasing Commissions	1,272,231	1,748,239					905,714	1,737,173			
Additional Capital Investment	17,089,180										
Multi-Tenant Costs	1,319,800										
Annual Capital Reserve	52,792	54,376	56,007	57,687	59,418	61,200	63,036	64,928	66,875	68,882	
Total Leasing & Capital Costs	26,161,353	10,100,630	56,007	57,687	59,418	2,425,951	4,631,153	64,928	66,875	68,882	
Cash Flow Before Debt Service & Taxes	(\$28,197,516)	(\$7,900,570)	\$5,579,114	\$5,820,803	\$6,062,371	\$2,919,768	\$240,957	\$7,471,359	\$7,967,528	\$8,208,760	
TOTAL CF	(\$60,602,979)	(\$28,197,516)	(\$7,900,570)	\$5,579,114	\$5,820,803	\$6,062,371	\$2,919,768	\$240,957	\$7,471,359	\$7,967,528	\$125,514,772
Unleveraged IRR	6.17%										

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, and to any special conditions imposed by our principals.

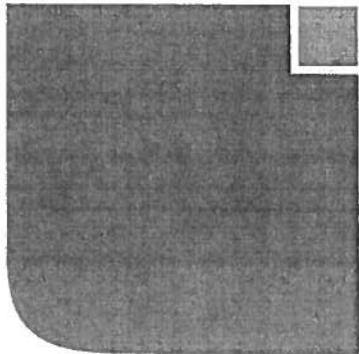
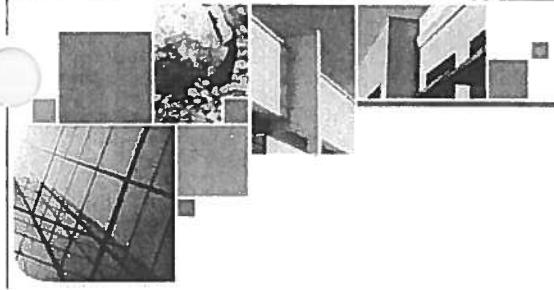
390 Main Street
San Francisco, CA

Software: ARGUS Ver 14.0.2
File: 390 Main Street - San Francisco
Property Type: Office & Retail
Portfolio
Date: 7/6/11
Time: 9:32 am
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Schedule Of Prospective Cash Flow
In Inflated Dollars for the Fiscal Year Beginning 1/1/2012

For the Years Ending	Year 0 Dec-2012	Year 1 Dec-2013	Year 2 Dec-2014	Year 3 Dec-2014	Year 4 Dec-2015	Year 5 Dec-2016	Year 6 Dec-2017	Year 7 Dec-2018	Year 8 Dec-2019	Year 9 Dec-2020	Year 10 Dec-2021
Potential Gross Revenue											
Base Rental Revenue	\$10,498,584	\$11,102,076	\$11,102,076	\$11,102,076	\$11,102,076	\$11,950,097	\$13,942,035	\$14,773,217	\$14,773,217	\$14,773,217	
Absorption & Turnover Vacancy	(8,266,752)	(2,845,055)				(1,026,618)	(1,429,636)				
Base Rent Abatements	(1,044,069)	(1,731,450)				(1,143,343)	(2,243,607)	(306,356)			
Scheduled Base Rental Revenue	1,187,163	6,525,571	11,102,076	11,102,076	11,102,076	9,780,136	10,268,792	14,466,861	14,773,217	14,773,217	
Base Rental Step Revenue	76,432	209,042	407,679	671,117	934,698	840,397	296,336	211,849	475,809	739,769	
Expense Reimbursement Revenue											
Operating Expenses	39,878	130,643	252,992	379,006	508,802	467,526	206,866	189,584	335,669	486,139	
Total Reimbursement Revenue	39,878	130,643	252,992	379,006	508,802	467,526	206,866	189,584	335,669	486,139	
Total Potential Gross Revenue	1,304,073	6,865,256	11,762,747	12,152,199	12,545,576	11,088,059	10,771,994	14,868,294	15,584,695	15,999,125	
General Vacancy			(588,137)	(607,610)	(627,279)			(743,415)	(779,235)	(799,956)	
Effective Gross Revenue	1,304,073	6,865,256	11,174,610	11,544,589	11,918,297	11,088,059	10,771,994	14,124,879	14,805,460	15,199,169	
Operating Expenses											
Operating Expenses	3,181,588	3,828,431	4,200,527	4,326,543	4,456,340	4,508,093	4,615,137	4,869,563	5,015,649	5,166,119	
Total Operating Expenses	3,181,588	3,828,431	4,200,527	4,326,543	4,456,340	4,508,093	4,615,137	4,869,563	5,015,649	5,166,119	
Net Operating Income	(1,877,515)	3,036,825	6,974,083	7,218,046	7,461,957	6,579,966	6,156,857	9,255,316	9,789,811	10,033,050	
Leasing & Capital Costs											
Tenant Improvements	5,299,650	6,789,285					1,459,037	2,830,944			
Leasing Commissions	1,272,231	1,748,239					914,536	1,737,173			
Additional Capital Investment	17,089,180										
Multi-Tenant Costs	1,319,800										
Annual Capital Reserve	52,792	54,376	56,007	57,687	59,418	61,200	63,036	64,928	66,875	68,882	
Total Leasing & Capital Costs	25,033,653	8,591,900	56,007	57,687	59,418	2,434,773	4,631,153	64,928	66,875	68,882	
Cash Flow Before Debt Service & Taxes	(\$26,911,168)	(\$5,555,075)	\$6,918,076	\$7,160,359	\$7,402,539	\$4,145,193	\$1,525,704	\$9,190,388	\$9,722,936	\$9,964,168	
TOTAL CF	(\$60,602,979)	(\$26,911,168)	(\$5,555,075)	\$6,918,076	\$7,160,359	\$7,402,539	\$4,145,193	\$1,525,704	\$9,190,388	\$9,722,936	\$152,146,819
Unleveraged IRR	9.28%										

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CAPITAL REQUIREMENTS AND TENANT IMPROVEMENTS

390 Main Budget Assumptions							CUSHMAN & WAKEFIELD REVISED ESTIMATES		
	CBRE ORIGINAL ESTIMATES			Alternates					
	Base Capital	Capital Cost)	Base Alt's	DB Base	DB Alt's	DB Total	Notes		
Base Capital / Alternate description									
Exterior Glass treatments	440,576	555,912	555,912	440,576	440,576	750,000	750,000 New overhang location, add canopy on roof		
Exterior Painting	195,978		150,978	195,978	195,978		440,576		
New entry glass	339,196		339,196	500,000	500,000	750,000	500,000 Add new ramp and stairs at Main street side		
Urban lung	-	750,000	750,000			750,000	750,000 Need more detail/study to confirm number		
Parking allowance	975,700	1,035,912	2,281,612	1,136,504	1,500,000	2,636,504			
Demo all interior	2,855,439		2,855,439	3,095,000	1,504,993	3,095,000	Includes other 1/2 of 8th floor plus 3 small freight elevators		
Bring restrooms to ADA compliance / All new buildout	719,069	1,504,993	(1)	2,224,062	719,069	2,224,062	2 sets per floor, \$300,000 + 7.5% add'l		
Elev lobes / New buildout	103,206	258,713	361,919	175,000	350,000	525,000	Add higher level of details and finishes		
Elevator cabs	120,000		120,000	200,000	200,000	200,000	\$50,000 each x 4 instead of \$30,000 each		
Multi-tenant corridors (4 floors)	250,000		250,000	250,000	250,000	250,000			
Change to DDC	158,797		158,797	158,797	158,797	158,797			
Life safety	583,520		583,520	583,520	583,520	583,520	Replace add infrastructure, note: need new HVAC for		
Add 300 tons capacity / Replace 100% hvac	623,849	2,935,400	(2)	3,559,249	623,849	3,376,151	4,000,000 LEED Silver		
Replace existing infrastructure / Replace 100% elec	3,360,000	4,771,034	(3)	8,131,034	3,360,000	4,771,034	8,131,034		
Replace entire sprinkler system	2092,713		2,092,713	2,092,713	2,092,713	2,092,713			
Entry lobby / complete rebuild	409,721	252,923	662,644	600,000	400,000	1,000,000	Add higher level of details and finishes		
	9,183,601	11,815,776	20,959,377	9,765,235	12,494,891	22,250,126			
Seismic	1,171,412		1,171,412	1,171,412	1,171,412	1,171,412			
leed	153,222		153,322	153,322	153,322	153,322	Used 6% instead of 3.75%, plus included under		
Soft costs	555,000		(4)	555,000	978,418	1,119,591	2,097,709 alternate costs		
TOTAL	1,879,734	-	1,879,734	2,362,852	1,119,591	3,422,443			
	12,939,035	13,121,688	25,160,733	13,264,591	15,114,482	28,319,073			
							1,500,000 add for new lobby entrance from Beale Street		
							29,819,073 Grand Total		
[1] ADA + new finishes budgeted at \$1,021,791									
[2] Add 300 tons of capacity rather than replace with all new at higher capacity									
[3] Base Capital assumes electrical backbone is adequate, serviceable, code compliant etc.									
[4] Soft costs cover both Base Building and Agency Tenant Improvements									
Agency Tenant Improvements									
Agency TIs at \$80 / sf	\$ 16,800,000			\$ 17,850,000			Used \$85 / sf instead of \$80		
Auditorium	\$ 1,029,612			\$ 1,129,612			Added \$100,000 for turned seating		
Soft Costs	\$ 555,000		\$ 1,184,612	\$ 1,518,369			Used 8% instead of 3.75%		
	\$ 18,785,660	\$ 30,423,647	\$ 43,545,335	\$ 20,491,981	\$ 3,680,832	\$ 24,172,813			
							Add differential for Air Quality/ F F & E etc. ②		
Comparison to Financial Impact Shown to Agencies 6/28/11									
Base Building	6/28/11	Capital	w' Alt's	Base	Alt	Total w/alt			
	\$ 11,500,000	\$ 12,039,035	\$ 25,160,723	\$ 13,204,591	\$ 15,114,492	\$ 28,319,073			
Agency Tenant Improvements									
	\$ 30,285,660	\$ 30,423,647	\$ 43,545,335	\$ 33,696,572	\$ 16,755,314	\$ 53,991,886			

PROJECT BUDGET
San Francisco

Western Region Project Management Group

Revised 7/14/2011

Tenant Address Location Architect/Space Planner Architectural Plans Dated MEP Plans Dated Project	Air Quality TBD San Francisco	 BAY AREA AIR QUALITY MANAGEMENT DISTRICT	
Tenant Improvements			
Hard Costs	Budget Amount	Billed-to-Date	Comments
Construction - Tenant Improvements	\$ 5,168,000		
Construction - Restrooms/Elev. Lobbies	\$ -		
Open Office / Private Office / Conference Furniture	\$ 1,520,000		
AV - Video Tele	\$ 304,000		
Low Voltage (tele/data cabling)	\$ 182,400		
IT Equipment	\$ 200,000		
UPS Equip	\$ 50,000		
Security	\$ 60,800		
Voice	\$ 60,800		
Signage	\$ 15,000		
Art Work	\$ 12,000		
Box moves	\$ 121,600		
Plants	\$ 30,400		
Wattstoppers	\$ 30,400		
Waste/Recycle Baskets	\$ 6,080		
New Fiber Line into Building	\$ 20,000		
Contingency	\$ 389,074		
Other	\$ -		
Total Hard Costs	\$ 8,170,554		RSF 60,800
Soft Costs			
Architectural & Engineering Fee	\$ 304,000		
AE Reimbursable Allowance @ 15%	\$ 45,600		
Permit Fees	\$ 40,000		
Technology Consultant Fees	\$ 60,800		
C&W Project Management Fee	\$ 106,400		
LEED Consultant	\$ -		
Miscellaneous Consultant Fees	\$ 60,800		
Building Management Fees	\$ 60,800		
Total Soft Costs	\$ 678,400		
PROJECTED TENANT IMPROVEMENT COST	\$ 8,848,954		145.54 /RSF
PRO RATA BUILDING PURCHASE COST	\$ 12,933,225		105,750,000
PRO RATA BUILDING IMPROVEMENTS COST	\$ 1,472,374		12,039,035
TOTAL APPROX. PROJECT BUDGET	\$ 23,254,553		382.48 /RSF
Customer Approval			
Signature:	Date:		

Note:

390 MAIN STREET

UTILIZATION OF GROUND FLOOR FOR GARAGE

APPROXIMATE SIZE: 28,500 sf Ground Floor Total Area

UTILIZATION SF: 12,000 sf

Maximum Parking/Lined: 34

Valet Parking: 50

LIMITATIONS AND ISSUES:

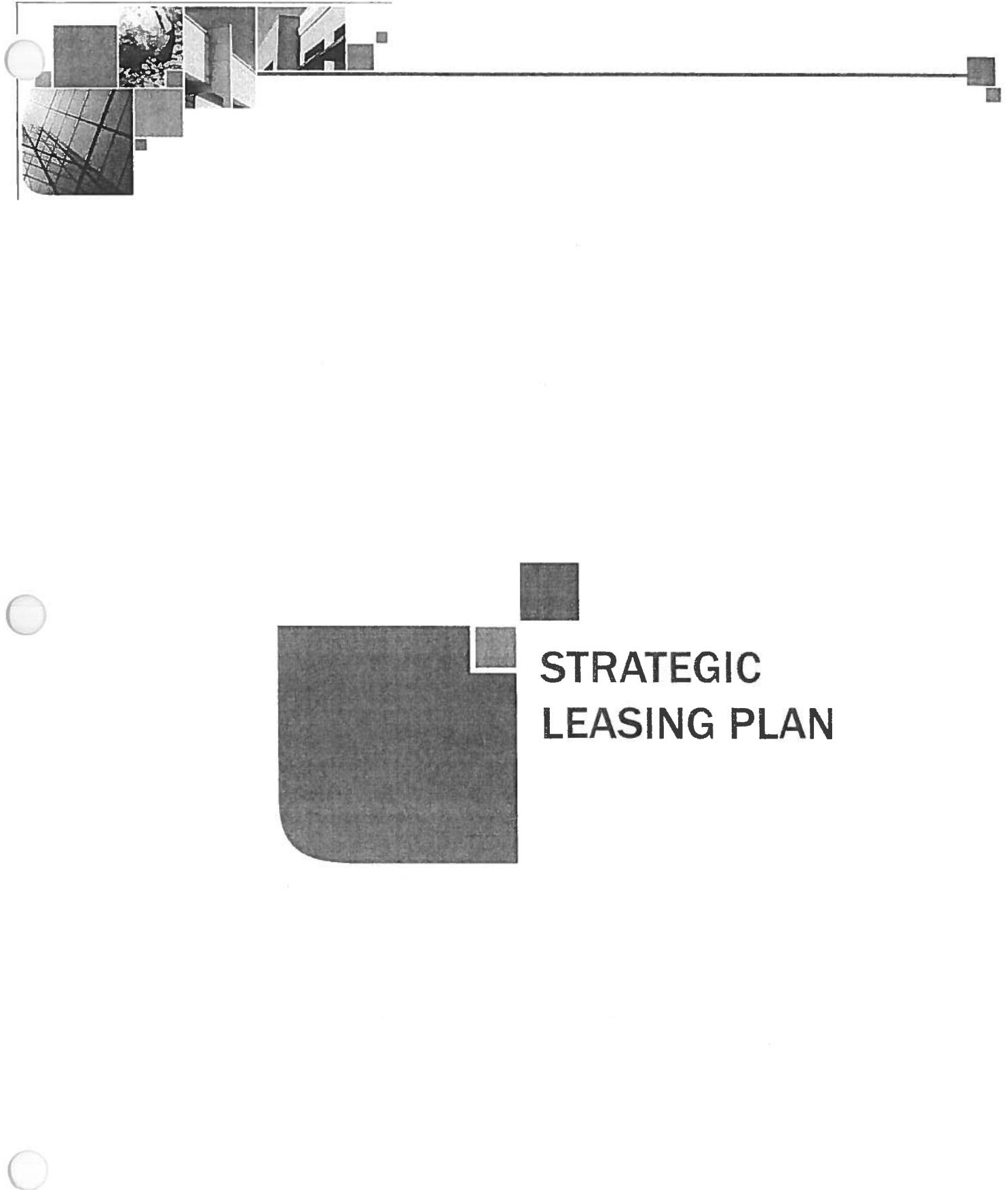
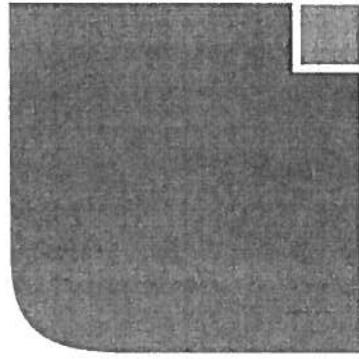
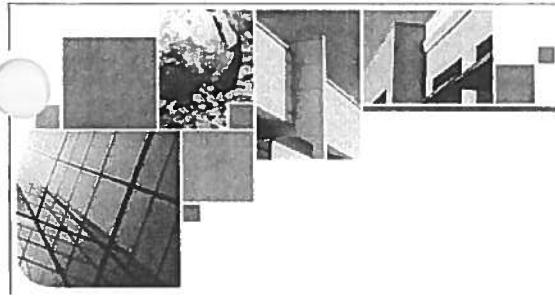
It is highly recommended that a professional Parking Study be completed by either a Parking Consultant or a sophisticated parking company such as AMPCO or Ace to determine the layout, usage, code and compliance issues and contract cost for operating a garage for either private or public use. Here are some factors to consider:

- Layout of the garage is critical in order to maximize the number of spaces without disturbing existing ground floor elevations
- City codes relative to private/public garage configurations in the commercial use
- Garage Operation: Determining whether to "contract" out the parking and what type of contract; lease versus operation and maintenance contract
 - Determine a range of income from a public garage vs. private with City requirements in mind
 - Determine whether striped/valet vs. all striped
 - Determine whether self serve parking with equipment of all valet
- Elevator Access to common area entries and office space
- Construction budgets for hard cost retrofit are unknown without undertaking a parking study.
- Other factors or capital additives

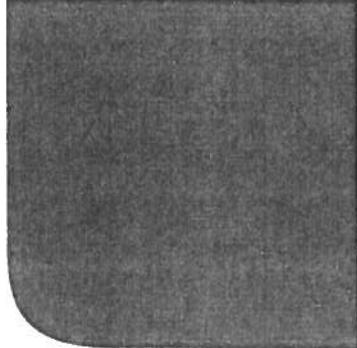
Common Garage Additives to Existing Structure

Description	Unit	\$ Cost
Barrier Gate	each	5,000
Booth and Attendant	Each - allocation	12,500/year
Fee Computer if public	Each	15,000
Ticket spitter/time stamp	each	3,950
Collection Station	each	20,900
Parking Control Software-Public Access	each	25,000-100,000

Painting Parking Stalls	Per stall	10.00
Parking Barriers	Precast – 6" X 10" X 6'	70.00
Directional Signage Package		\$5,000



STRATEGIC LEASING PLAN



MARKETING PLAN

Agency Leasing Process

<p>1 Confirmation of Ownership Goals & Team Selections</p> <ul style="list-style-type: none"> Hire C&W and finalize team Meet with ownership to develop strategy for asset. Confirm current vacancies, lease expirations, and lease-up schedule Customize reporting process Establish timing <p>DELIVERABLES</p> <p>Statement of objectives</p>	<p>2 Asset Assessment</p> <ul style="list-style-type: none"> Evaluate usable square footage and market loss factor Review/prepare floor plans Analyze project operating expense and tax escalations Evaluate infrastructure Evaluate hot to divide the Property Evaluate physical and human capital <p>DELIVERABLES</p> <p>Recommendations for capital improvements and positioning</p>	<p>3 Market Analysis</p> <ul style="list-style-type: none"> Analyze: <ul style="list-style-type: none"> Historical, current, and forecasted market conditions and trends Asking rents and vacancies Comparable properties Comparable lease transactions Supply and demand Tenants in the market 	<p>4 Leasing Strategy</p> <ul style="list-style-type: none"> Establish leasing objectives Develop a unique strategy for leasing and positioning the property in the market Ascertain target market Estimate market value Immediately pursue deals in market(s) 	<p>5 Marketing Program</p> <ul style="list-style-type: none"> Implementation Strategy Develop communications program based on leasing strategy, market data, and asset evaluation Provide timeline, media plan, and budget Create marketing plan and submit to Ownership for approval Execute marketing program Review and adjust marketing plan throughout the marketing and leasing process Conduct canvassing and showings Report inquiries Follow up with prospective tenants <p>DELIVERABLES</p> <p>Marketing plan</p>	<p>6 Prospects Qualification</p> <ul style="list-style-type: none"> Tour prospects Assess potential lessee's financial strength and credit Review offer terms and investigate prospects Prepare counteroffers 	<p>7 Final Negotiations</p> <ul style="list-style-type: none"> Select tenant Negotiate Draft lease terms and conditions Execute contract 	<p>8 Closing & Follow-up</p> <ul style="list-style-type: none"> Secure tenant / stabilize asset Finalize lease abstracts Summarize critical information Perform administration tasks 	<p>9 Ongoing Services</p> <ul style="list-style-type: none"> Maintain lease abstracts Conduct tenant satisfaction surveys Create and submit reports on agreed schedule Review and adjust marketing program Continue marketing and leasing available space Conduct canvassing and showings Re-evaluate projects successes and failures Plan and conduct tenant retention activities 	<p>DELIVERABLES</p> <p>Lease abstract</p>	<p>REPORTS</p> <p>Reports</p>
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Marketing Program

OBJECTIVES

SINCE 390 MAIN HAS NOT BEEN MARKETED IN THE PAST AS A MULTI-TENANT OFFICE BUILDING, CUSHMAN & WAKEFIELD WILL CREATE A THOROUGH MARKET PLAN. WE WILL PERFORM THE FOLLOWING:

- Develop a strategic marketing program that will establish 390 Main a viable large floor plate office option.
- Ensure that the property's positioning, theme, and branding are consistent with MTC's vision.
- Create a marketing program to support the two-tiered approach that segments the market and identifies both potential users and top real estate brokers. The building and the spaces identify well with the current market
 - open space, large floor plates, "creative" and "sustainability" as a theme.
- Reach our segmented target audience with sufficient frequency to ensure a lasting impression and immediate recall. Tenant Demand Profile (See "Tenants in the Market") and the following industry segments:
 - Government (8% of the current market activity)
 - Software/Technology (25%)
 - Advertising/Media (12%)
 - Architecture/Engineering (4%)
- Leverage MTC's and other agencies prestigious reputation.

Marketing Strategy



C&W PROPOSES THE FOLLOWING TARGETED TWO TIERED MARKETING PROGRAM THAT WILL BE REGULARLY REVIEWED AND ADJUSTED AS MARKET CONDITIONS EVOLVE AND AS THE LEASING PROCEEDS.

1. Brokerage Community as 95% of all tenants are represented
2. Target Tenants that are other government tenants, technology tenants or tenants in the "alternative energy" space

The key to the success of this marketing program will be creativity, consistency, and continuous market saturation.

- Brokerage Community
- Target Tenants
- Theme and Positioning
- Brochure
- Direct Mail Campaign
- Advertising Campaign
- Special events, if required
- Aggressive Canvassing/Cold Calling Program
- Tenant Retention

Every component of the marketing program – carrying an exciting theme and identifiable brand – will stimulate enthusiasm for 390 Main. The results will be accelerated lease-up and ensured retention of the most desirable tenants.

Marketing Program

COMMUNICATIONS PROGRAM

BRAND

- Identity/Logo: Create a graphic identity that incorporates and establishes MTC's vision for the property.

AWARENESS

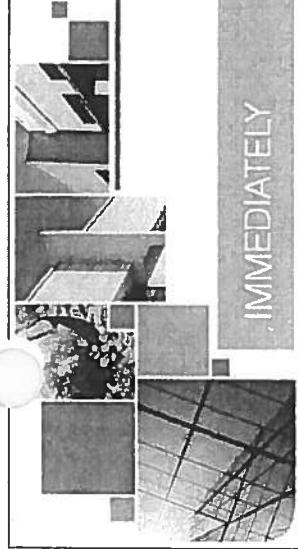
- Advertising/Print Media: Design a campaign that emphasizes the property's new identity to create awareness among brokers and prospective tenants.
- Web site: Build an interactive property Web site that gives brokers and prospective tenants 24/7 access to updated information.
- Public Relations: Initiate a cost-effective integrated PR campaign.

DIRECT COMMUNICATION

- Onsite Marketing: Design a sales center to showcase the property's advantages, with photography, area maps, floor plans of sample layouts, stacking plans.
- Property Brochure: Create a brochure that establishes branding and positioning – overall vision, overview of property, corporate neighbors, amenities, transportation, typical floor plans, and stacking plan.
- E-Mail Campaign: Send a link to a website on the property.
- Special Event: Host a broker event to introduce the property.

Marketing Action Plan

4



IMMEDIATELY

60 DAYS

ON-GOING

- Begin preparation of a "Project Book" that includes a detailed description of building systems, operational policies and procedures, reporting format and responsibilities.

- Meet with the ownership to review and refine the marketing plan, including pricing and preferred deal structures.

- Complete calls within the first 30 days to brokers representing tenants with 5,000+ RSF requirements on C&W's proprietary Tenant List.

- Begin preparation of new marketing material.
- Design an advertisement announcing leasing for 390 Main in local publications.

- Update online listing services (Costar, LoopNet, Cityfeet, etc.).
- Create a website

- Follow-up calls to brokers with likely prospects and submit report to the ownership.
- Distribute, via mail and email, marketing flyers to 500+ brokers.
- Distribute, via mail, marketing flyers to 1,000+ San Francisco tenants.

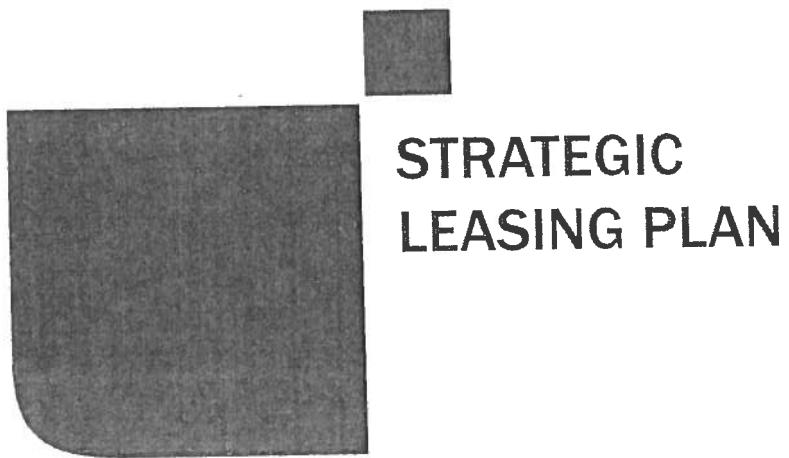
- Create a multi-color marketing flyer and brochure that better depicts the project and is more targeted toward the "prospective tenant profile."

- Host lunch for broker community to reintroduce people to building.

- Tours, proposals, lease negotiations, reporting.
- Direct prospecting continues.
- "Blast" emails and mailers to the brokerage community, marketing different spaces (continually change the flyers and emails so they do not become "stale").
- Heavily advertise all completed deals.
- Send letters and marketing material directly to tenants located in CBD.

390 Main Street
Stacking Plan

	TENANT	rsf		
8	MTC - 45,000 SF			MTC FUTURE - 16,000 sf 60,800
7	BAAQMD - 60,800 SF			60,800
6	SUPPORT SPACE - 24,625 SF		ABAG - 17,000 SF	19,000 SF 60,800
5	NON AGENCY TENANT			60,800
4	NON AGENCY TENANT		NON AGENCY TENANT	NON AGENCY TENANT 60,800
3	NON AGENCY TENANT		NON AGENCY TENANT	NON AGENCY TENANT 60,800
2	NON AGENCY TENANT		NON AGENCY TENANT	NON AGENCY TENANT 60,800
1	LOBBY - AMENITY - 5000 sf	AUDITORIUM, 22,500	Retail - 5000SF	Air Lab 2500 GARAGE - 25800 SF 60,800
				486,400



STRATEGIC LEASING PLAN

The following strategic plan represents the general scope and terms of the leasing to be agreed upon by Ownership with the successful acquisition of 390 Main Street, San Francisco. This would assume the Leasing to begin during 2012. The parameters are intended to outline general business terms. Individual transactions will be considered based upon such factors as each tenant's size, credit and other relevant factors. The actual terms of each lease transaction are subject to Ownership approval. The Leasing Parameters are presented in three scenarios implementing the investment analysis sensitivity structure: Conservative; Base Case; Optimistic.

LEASING PARAMETERS

New Leases: It is anticipated that the non-agency space shall be leased over a 24 month horizon. Because of the large floor plates of plus or minus 60,800 sf, we have assumed the floors shall be multi-tenanted except for one specific Floor 5. This also fits well with the fact that the typical tenant in San Francisco is ±10,000 sf and very few tenants are 60,800 sf.

Lease Terms: We anticipate most leases are 5-year leases, although if we find larger tenants (over 30,000 sf) they may be as long as 10 years.

Base Rent: In both the Conservative and Base Case Scenarios the rent starts at \$35.00/sf. In the Optimistic analysis the rent starts at \$40.25/sf. With the retail leases also starting at 15% higher.

Contract rents will meet or exceed Ownership guidelines and will include \$1.00/sf increases annually for office space and 3% for retail space.

Taxes and Operating Expenses: Base Year Expenses will be the calendar year during which the lease commences for office leases. Retail leases shall be triple net.

Tenant Improvements: In today's market, the burden of funding tenant improvements and the code compliance of restrooms, path of travel and basic life safety have returned to the Landlord's side. The tenant improvement allowance shall be \$55.00-\$65.00/sf as the space shall be delivered in warm shell condition for the Conservative and the base case. For the conservative approach to analysis the tenant improvement allowance was decreased by \$10/sf.

Renewal Operations: Typically for full floor or larger tenants, one option to extend the term of a lease for five years may be granted, provided such option is not for space previously encumbered by another lease. Extension options will call for the rental rate adjustment to Fair Market Value.

Expansion Rights: No expansion rights, right of first refusal or rights of first offer may be offered to prospective tenants without specific written Ownership approval. Major tenants will require expansion opportunities.

Contraction/Cancellation

Rights: Most major tenants over 30,000 sf seek rights to either contract or cancel the lease at least once during a long lease term. Each of these rights will be subject to Ownership's prior approval before being offered in any negotiation.

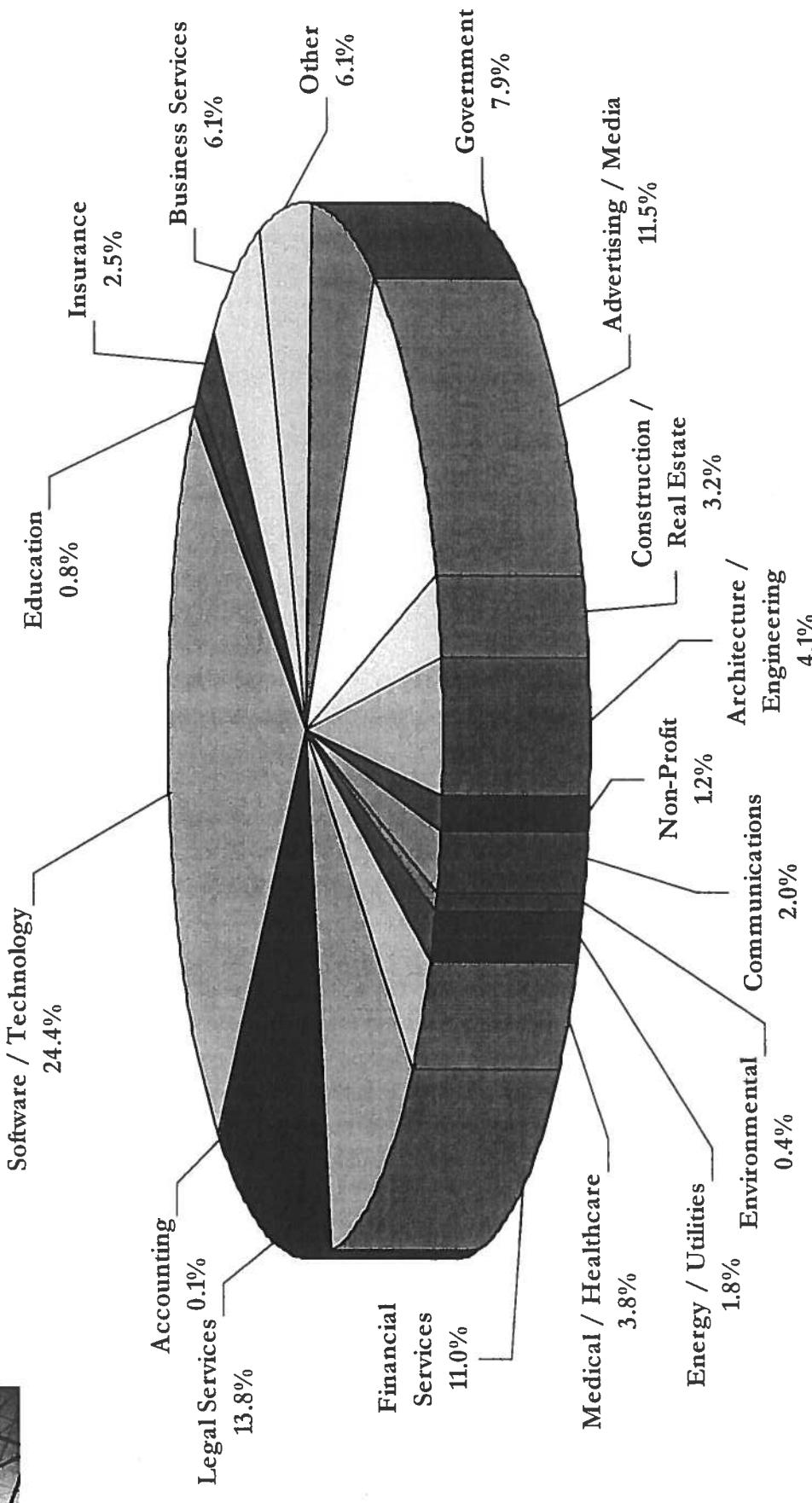
Commissions: Tenant broker commissions will be based upon a schedule of \$1.50/sf/year subject to a maximum of \$12.00/sf. The current market often includes a "bonus" but it is not clear how long this will prevail. The Building Listing Broker shall receive a 50% override. No variation to this policy may be offered without specific Ownership written approval. Lease renewals and expansions will be handled on a case-by-case basis.

Code Compliance: In general, tenant will be required to pay for ADA compliance costs within the non-core floor areas of their spaces, utilizing a portion of the tenant improvement allowance as payment for such costs.

Landlord will pay for any/all common area upgrades, including restrooms, elevators/call buttons, and water fountains, whether for a full or partial floor tenancy. In addition, Landlord will pay, separate from the Tenant Improvement Allowance, any current code upgrade to sprinkler heads, demolition of existing tenant improvements and/or outdated corridor configurations, and upgrades/replacements of window coverings, ceiling grid seismic upgrades, and strobes/life safety connector panels. When making a multi-tenant floor configuration, the Landlord pays for the corridor itself plus appropriate entry and exit doors. Given the current condition of the proposed floors to be leased we assume the space will be delivered in a "warm shell" condition.

San Francisco - Current Tenant Demand

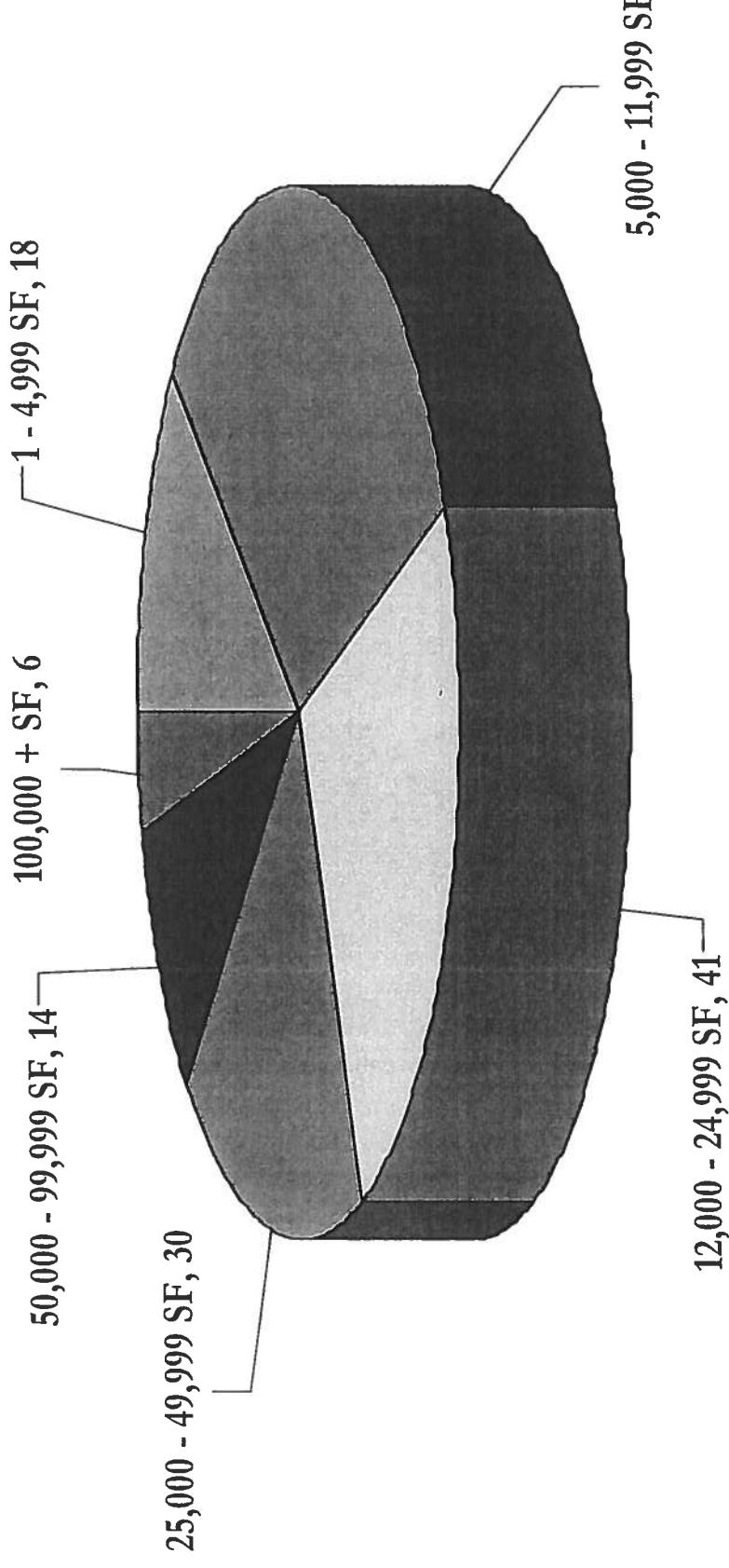
Breakdown by Industry Second Quarter 2011



3,953,300 Square Feet of Total Active Tenant Requirements

San Francisco - Current Tenant Demand

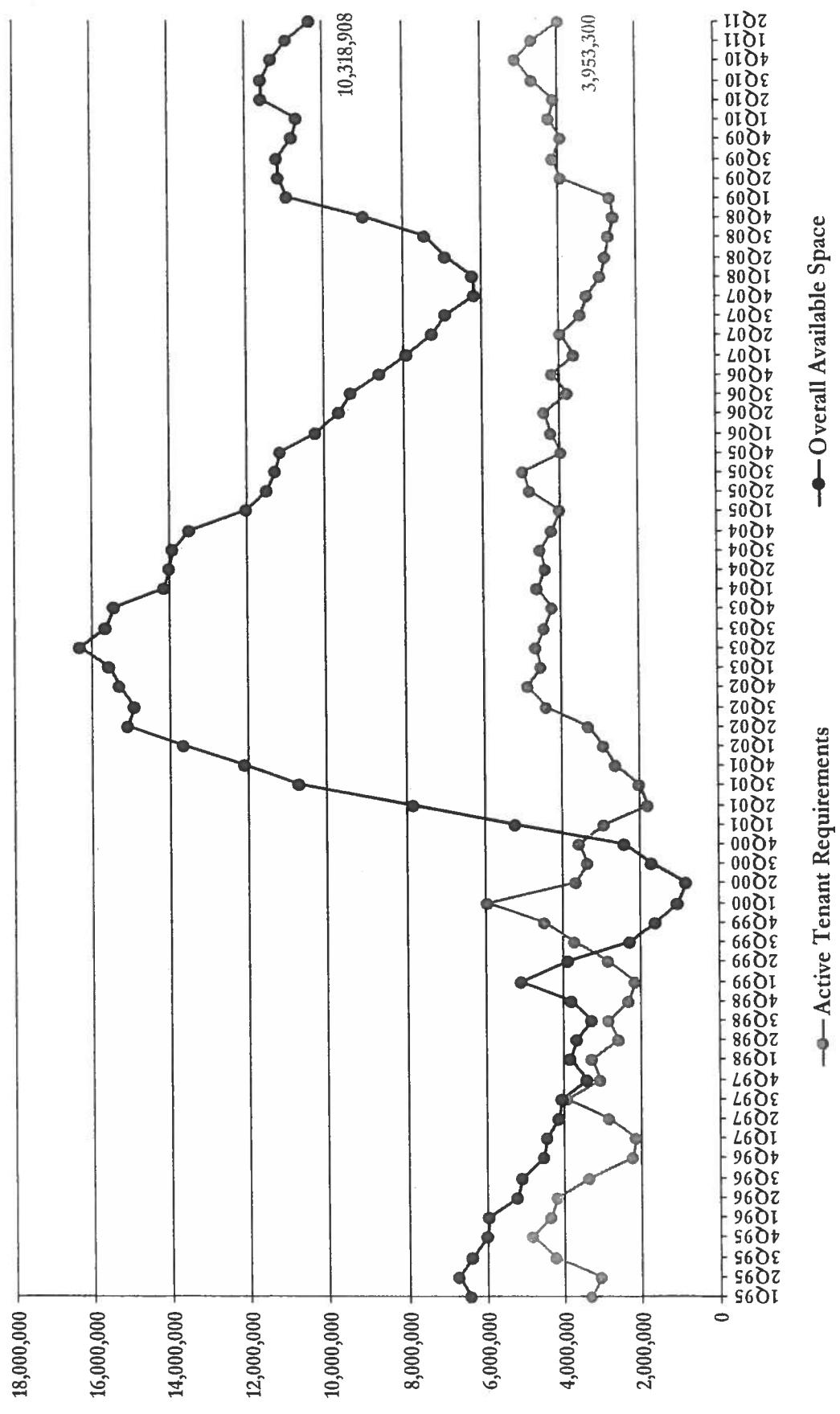
Breakdown by Square Footage Second Quarter 2011



3,953,300 Square Feet of Total Active Tenant Requirements

Citywide

Demand vs. Overall Available Space (Sq. Ft.)



Citywide

Historical Demand Profile % of Total Market

HISTORICAL DEMAND PROFILE						
Industry Sector	2Q07	2Q08	2Q09	2Q10	2Q11	
Software / Technology	17.2%	14.7%	19.5%	16.5%	24.4%	
Government	3.7%	1.6%	1.7%	8.0%	7.9%	
Advertising / Media	5.2%	6.0%	7.2%	12.6%	11.5%	
Architecture / Engineering	0.9%	3.0%	1.0%	0.7%	4.1%	
Communications	1.5%	4.0%	1.7%	1.2%	2.0%	
SubTotal - Demand	28.5%	29.3%	31.1%	39.0%	49.9%	
Financial Services	20.0%	16.6%	13.8%	11.1%	11.0%	
Legal Services	25.0%	20.6%	29.6%	23.9%	13.8%	
Accounting	0.0%	1.9%	1.0%	1.9%	0.1%	
Education	6.5%	2.5%	5.4%	1.7%	0.8%	
Insurance	3.0%	3.4%	4.6%	3.8%	2.5%	
Business Services	2.8%	4.9%	5.8%	5.1%	6.1%	
Other	4.9%	17.4%	2.7%	2.9%	6.0%	
Construction / Real Estate	2.4%	3.9%	2.3%	2.4%	2.6%	
Non-Profit	2.0%	0.5%	0.3%	0.5%	1.2%	
Transportation						
Environmental						
Energy / Utilities	5.0%	1.9%	1.5%	1.0%	1.8%	
Health / Medical						
Sub Total	71.5%	70.7%	68.9%	61.0%	50.1%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

7.14.2011



Citywide

Historical Demand Summary

390 Main Street Target Demand

- Tracking industry sectors since 2007
- Average demand at 32% of total market from 2007 through 2010
- Large increase in demand for 2011 occurred primarily in software and technology sector
- Strong demand should continue through the anticipated marketing period

Tenants in the Market
 as of JUNE 21, 2011

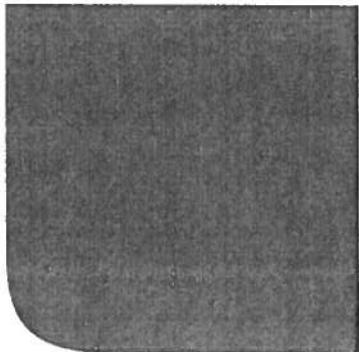
Tenant Name	Current Location	Current SF	Business Type	Estimated SF	Lease Exp / Timing	Comments	Date Added
1 DOLBY	100 POTRERO	0	MEDIA, GOVERNMENT	200,000	20/2012	BACK OFFICE SPACE, LOOKING IN OAKLAND & SF. SALE OR LEASE REQ	05/04/10
2 BAY AREA AIR QUALITY / ABAG / MTC	OAKLAND & SF	150,000	FINANCIAL SERVICES	150,000			10/26/10
3 MERRILL LYNCH	101 CALIFORNIA	63,798	TECHNOLOGY	150,000			11/16/10
4 RIVERBED TECHNOLOGY	189 FREMONT	173,000	LEGAL	100,000	6/20/12	FOCUSSED ON SONA AND MISSION BAY OPTIONS	06/13/10
5 PILLSBURY, MINTROPP, SHAW & PITTMAN	50 FREMONT		MEDICAL	80,000	10/0/000		05/19/09
6 KAISER	OAKLAND		INTERNET	60,000	8/2000	2012	04/13/10
7 YELP	706 MISSION	60,000	ENGINEERING	60,000	4/2011	LOC AT 300 CALIFORNIA	02/23/11
8 AECOM ENGINEERING	MULTIPLE SF LOCATIONS		TECHNOLOGY	65,000	6/20/12	EARLY TERMINATION IN JUNE 2012	06/31/10
9 SYMANTEC	303 SECOND	63,000	FINANCIAL SERVICES	50,000	6/0/000		12/07/10
10 JMP SECURITIES	600 MONTGOMERY	33,000	TECHNOLOGY	50,000	6/0/000		02/08/11
11 SYSTEMS SOLUTIONS			INTERNET - TRAVEL	60,000	6/2013	LOOKING FOR 5YR TERM, NOMA & SONA 3 BLOCKS FROM BART	05/05/10
12 HOTWIRE	655 MONTGOMERY	55k	LEGAL	60,000	MID 2012		05/17/10
13 LEWIS BRISBOS BIGGAARD & SMITH	ONE SANSOME	45,036	INTERNET	60,000			10/26/10
14 QUANTCAST	201 THIRD STREET	26,350	MARKETING	60,000			03/29/11
15 SOLUTION SET	MILL VALLEY	NEW TO SF	INSURANCE	55,000	6/20/12		05/10/11
16 GALLAGHER INSURANCE		53,000	TECHNOLOGY	40,000	5/2000	5/20/13	05/03/11
17 VELTI	ONE MARKET STEUART TOWER	80,000	AUTO	30,000	5/0/000		03/21/11
18 ARMOR DOMAIN, INC.	ONE MARKET, SPEAR	0	SOFTWARE	50,000			01/25/11
19 MARIN SOFTWARE	123 MISSION	28,711	GOVERNMENT	50,000		PARTIAL LAB USE WITH ANIMAL TESTING	06/14/11
20 SSA			FINANCIAL SERVICES	34,000	4/5/000	LATE 2012	05/04/11
21 FREMONT GROUP (INVESTMENT ARM OF BECHTEL)	199 FREMONT	80,000	UTILITIES	30,000	4/0/000	CBD MUST BE CLOSE TO BART	10/15/10
22 FIRST SOLAR	NEW TO SF	0		40,000		IN LEASES. TOP 2 FLOORS AT 160 KING ST	02/29/11
23 ANCESTORY.COM	501 SECOND	15,000		40,000			12/07/10
24 SKYY VODKA	ONE BEACH		LIQUOR	35,000	6/20/13		05/03/11
25 BUCHALTER NEMER	333 MARKET	18,906	LEGAL	35,000			03/03/11
26 BUSINESS WIRE	44 MONTGOMERY		ARCHITECTURE	35,000	5/2010	WILL LOOK IN CBD	12/07/10
27 SHKDMORE OWNERS MERRILL	ONE FRONT	34,902	MARKETING / ADVERTISING	35,000			06/13/10
28 RICH RELEVANCE	275 BATTERY	16,390	FINANCIAL SERVICES	25,000	30,000	8/20/13	02/26/10
29 CALLAW ASSOCIATES	101 CALIFORNIA	52,000	ONLINE FILE BACKUPS/YNCH	25,000	30,000	MUST SUBLEASE CURRENT SPACE. FLOORS 34 & 35. CURRENTLY IN LEASES CHINA BARN. SPACE ON NEW FLOOR	01/25/11
30 DROPBOX	750 MARKET	13,050	EDUCATION	25,000	30,000	NEW SF LOCATION, MUST BE ALONG BART. SIZE AND TIMING ARE UNCERTAIN	01/15/11
31 HAAS BUSINESS SCHOOL	NEW TO SF	0	UTILITIES	25,000	30,000	LATE 2011	06/09/09
32 PUC	CIVIC CENTER	20,000	TECHNOLOGY	20,000	30,000	TBD	09/14/10
33 JOVENT	345 CALIFORNIA	17,367	LEGAL	30,000	12/20/11	CURRENTLY ON A SUBLEASE	06/14/11
34 NOSSAMAN	50 CALIFORNIA	10,344	REAL ESTATE	30,000	8/2012		06/22/10
35 HOK	ONE BUSH	51,000	HEALTH CARE	30,000			05/10/11
36 McKESSON	ONE POST		SOFTWARE	30,000			04/26/11
37 PIVOTAL LABS	721 MARKET	13,212	LEGAL	20,000	25,000	2/20/12	10/25/10
38 GREENBURG TRAURIG	151 TOWNSEND	28,175	FINANCIAL SERVICES	20,000	25,000		05/24/11
39 PASSPORT CAPITAL	30 HOTELING PLACE		EXECUTIVE SUITES	20,000	25,000		05/03/11
40 PREMIER BUSINESS CENTERS			LEGAL	20,000	25,000	CONSIDERING BOTH OAKLAND AND SF	05/10/11
41 TRUCKEE HUSS	100 MONTGOMERY	11,493	TELECOMMUNICATIONS	25,000	25,000	FOCUSSED ON 1EC	08/31/10
42 KIVA	3180 18TH STREET		NON PROFIT	15,000	25,000	20/2011	04/16/10
43 HOGAN LOVELLS	4 EC - 22ND FLOOR	22,134	LEGAL	25,000			06/08/10
44 CONNIVA	SAN MATEO		ONLINE VIDEO	25,000	10/2011	LOOKING FOR CREATIVE SPACE. NOV 2010 SIGNED A 6 MONTH EXTENSION	07/13/10
45 EARTH JUSTICE	OAKLAND	NEW TO SF	LEGAL	25,000			06/22/10
46 FRANCE TELECOM	0		CONSULTING	25,000			11/16/10
47 HOFFMAN LEWIS	1725 MONTGOMERY	17,935	ADVERTISING	25,000	12/20/11	FOCUSSED ON 353 SACRAMENTO. SUBLEASE	11/03/09
48 OGLETREE DEAKINS	ONE MARKET - STEUART	17,988	SOFTWARE	25,000	5/2013	POSSIBLE RENEWAL/EXPANSION	05/03/11
49 REAL PAGE	343 SANSOME		CONSULTING	25,000		SONA BRICK & TIMBER OPEN SPACE	11/03/10
50 SMART DESIGN	640 BRYANT	8,600	ENGINEERING SERVICES	21,000			05/10/11
51 BECHTEL	50 BEALE		FINANCIAL SERVICES	18,000	20,000	12/2011	NEED CHEAP SPACE
52 ARTISAN PARTNERS	100 PINE	16,257	BUSINESS SERVICES - EXEC RECRUITERS	17,000	20,000	3/2012	03/01/11
53 KORNFERRY INTERNATIONAL	ONE SANSOME 32nd	15,872	ARCHITECTURE	16,000	20,000		04/14/09
54 KMD ARCHITECTS	222 VALLEJO	20,000	MOBILE GAME TECHNOLOGY	15,000	20,000		05/10/11
55 TinyCo	800 MARKET		NEW TO SF	20,000	20,000	PLUG & PLAY NEEDED CREATIVE SPACE WITH MOSTLY OPEN OFFICE	09/23/10
56 APPROIO	SAN MATEO				01/15/11		

**Tenants in the Market
as of JUNE 21, 2011**

Tenant Name	Current Location	Current SF	Business Type	Estimated SF	Lease Exp / Timing	Comments	Date Added
57 AUTONOMY, INC.	ONE MARKET - SPEAR 10TH FL	18,203	SOFTWARE	20,000	10/2012		10/25/10
58 BRIGHTROLL	450 SAN SIMEON	8,376	ADVERTISING	20,000			02/08/11
59 CITADEL INVESTMENT GROUP	ONE MARKET SPEAR TOWER	19,261	FINANCIAL SERVICES	20,000	7/20/12		05/03/11
60 CITCO FUND SERVICES	560 MISSION	22,003	FINANCIAL SERVICES	20,000	MID-2012		05/03/11
61 CLARIUM CAPITAL MANAGEMENT	ONE LETTERMAN	22,051	FINANCIAL SERVICES	20,000	1/20/12		08/10/10
62 GIANT CREATIVE STRATEGY	60 BROADWAY	13,300	MARKETING	20,000	10/2013		02/15/11
63 HIS NETWORKS	55 SECOND	38,927	INTERNET - SOCIAL ENTERTAINMENT	20,000			03/15/11
64 iGROSSING	CHINA BASIN	11,180	MARKETING	20,000	2Q11	PROPOSALS OUT TO SHORT-LIST OF 4 BLDGS	02/08/11
65 JACKSON LEWIS	189 FREMONT	17,555	LEGAL	20,000	9/2012	JUST STARTING THE LOOKING PROCESS	06/24/08
66 MANNING KASS	ONE CALIFORNIA	15,955	LEGAL	20,000			05/17/10
67 MODCLOTH	651 BRANNAN	16,750	CLOTHING - INTERNET RETAIL	20,000			08/31/10
68 STEIN & LUBIN	600 MONTGOMERY	15,500	LEGAL	20,000	12/2011		12/14/10
69 TUCKER ELLIS WEST	135 MAIN	13,260	INTERIOR DESIGN	15,000	9/2012		06/08/10
70 BANQ INC.	500 THIRD			15,000	17,000		05/17/10
71 ZOVI				15,000	17,000		05/10/11
72 LYNDACOM	NEW TO SF	0	INTERNET/SOFTWARE TRAINING	14,000	10/2000	20-30, 2011	05/24/11
73 PHA CAPITAL	500 SAN SIMEON	15,565	FINANCIAL SERVICES	18,000			05/24/11
74 TOBIN & TOBIN			LEGAL	12,000	13/2012	LOI FOR 11K AT 475 SAN SIMEON - ALMOST DONE, PROBABLY EARLY 2011	11/16/10
75 HUDER.COM	575 MARKET	5,820	INTERNET - NETWORKING	10,000	15,000		04/02/11
76 ERRIG	115 SAN SIMEON	6,467	ENGINEERING	8,000	15,000		05/10/11
77 DECHERT LLP	ONE MARITIME	21,072	LEGAL	15,000	12/2012	LOOKING IN CBD	04/18/11
78 GITHUB	589 HOWARD		PUBLIC RELATIONS	15,000		EXPANSION?	04/26/11
79 LEWIS PR	MULTIPLE SF LOCATIONS		HOME FURNISHINGS/HOUSEWARES	15,000			12/14/10
80 WILLIAM SONOMA	631 HOWARD	11,807	YOUTH ORGANIZATION	15,000	2/20/12		05/10/11
81 YMCA	49 GEARY	17,311	MEDIA	12,000	14,000		05/10/11
82 ECAST	625 MARKET	4,736	NON PROFIT	13,000	11/2012		10/12/10
83 FSG SOCIAL IMPACT CONSULTANTS	505 MONTGOMERY	14,939	LEGAL	13,000	1/2012		04/19/11
84 LOW, BALL & LYNCH			COMMUNICATIONS	13,000			04/19/11
85 TIPPING POINT COMMUNICATIONS				10,000	13/2012		06/25/11
86 BENEFIT FOCUS	201 MISSION 20TH FLOOR	15,744	HEALTH CARE	10,000	13,000		05/10/11
87 ARCHIMEDES, INC.	44 MONTGOMERY	15,666	LEGAL	10,000	13,000		03/15/11
88 LEVIN, SMEES, KAISER & GORNICK	221 MAIN	24,000	BUSINESS SERVICES	10,000	13/2012		12/07/10
89 ZENITH ADMINISTRATORS	ONE FRONT		INSURANCE	8,000	13,000		05/10/11
90 PETNA			INSURANCE	12,000			08/26/08
91 PMICUNA			GOVERNMENT	9,000	11,000		03/15/11
92 ISRAEL CONSULATE	450 MONTGOMERY	5,000	LEGAL	9,000	10,000	NEED TO SUBLICENSE THEIR SPACE BEFORE THEY MOVE	05/19/09
93 JONES HALL	650 CALIFORNIA	15,130	ENVIRONMENTAL CONSULTING	8,000	10,000		03/26/11
94 CIRCLEPOINT PARTNERS	135 MAIN	1,020	MEDICAL	8,000	10,000		03/30/10
95 JENNIFERX BIOTHERAPEUTICS	201 MISSION	3,401	LEGAL	8,000	10,000	ACTIVE, CO-BROKERED DEAL	07/13/10
96 JONES CLIFFORD	100 VAN NESS	13,731	FOOD	8,000	10,000		11/17/10
97 KIRKOMAN CORP	50 CALIFORNIA 46TH FL	6,000	HOTELS	8,000	10,000		04/19/11
98 LARKSPUR HOTEL GROUP	LARKSPUR		TECHNOLOGY	8,000	10,000		03/05/11
99 QUESTUS	ONE BEACH ST	0	SPORTS	7,000	10,000	LOOKING FOR VIEWS: 2-3 YEARS NEW FOOTBALL LEAGUE	12/07/10
100 A11 FOOTBALL	NEW TO SF		INTERNET	7,000	10,000		02/08/11
101 PLUM DISTRICT	785 FOLSOM		NON PROFIT	10,000	12/2012		06/23/11
102 CODE FOR AMERICA	85 2ND STREET		ADVERTISING	10,000			06/23/11
103 ADROLL	422 BUSH STREET - 5TH FL	8,444	MEDIA	10,000			02/15/11
104 (UNDISCLOSED MEDIA CONSULTING GROUP)	SAN MATEO		TECHNOLOGY	10,000			04/19/11
105 ARIA SYSTEMS				10,000			03/05/11
106 CSDA			MARKETING	10,000			05/01/11
107 ELOGIA	601 CALIFORNIA #607						04/26/11
108 FUSE BOX				10,000			
109 KELLER HECKMAN	3EC	4,635	LEGAL	10,000	12/2012		03/02/11
110 LOCAL ISP 21			INTERNET	10,000			10/19/11
111 LOYAL 3	116 MAIDEN LANE		LEGAL	10,000			05/04/10
112 RESOURCES GLOBAL PROFESSIONALS	90 NEW MONTGOMERY #1001		BUSINESS SERVICES	10,000			05/03/11

Tenants in the Market
as of JUNE 31, 2011

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MARKET OVERVIEW

COMPETITIVE SAN FRANCISCO PROPERTIES

Current Office Availabilities - July 2011

Floor	201 Third [1982]	303 Second [1988]	370 Third [1975]	795 Folsom [1977]	875 Howard [1946] [Remodeled 2010]
12					
11					
10					
9					
8	8,587	27,310		61,648	
7				61,648	
6	4,874	12,901		61,648	
5				61,648	
4				61,648	
3				61,648	
2				46,254	
1				12,533	
Total Bldg NRA	731,972	303,139	390,000	187,202	191,000
Available Space	13,461	0	40,211	0	56,228
Vacancy	1.8%	0.0%	13.3%	0.0%	29.4%
Total Vacancy	13,461	1.8%	40,211	13.3%	56,228

Total for Competitive Properties	
Total NRA	1,803,313
Available Space	476,927
Vacancy	26.4%
Total Vacancy	476,927

Direct Sublease



Global Real Estate Solutions™

SUMMARY STATISTICS
SAN FRANCISCO, SECOND QUARTER 2011



DIRECT VACANCY RATES (Direct Space Only)

All Classes	Second Quarter 2011	First Quarter 2011	+/-
CBD	10.0%	10.5%	-0.5 percentage point decrease
NOMA	11.7%	12.6%	-0.9 percentage point decrease
SOMA	8.0%	8.1%	-0.1 percentage point decrease
Non-CBD	17.9%	18.4%	-0.5 percentage point decrease
Citywide	12.7%	13.2%	-0.5 percentage point decrease

Class A

	Second Quarter 2011	First Quarter 2011	+/-
CBD	9.8%	10.3%	-0.5 percentage point decrease
NOMA	11.6%	12.5%	-0.9 percentage point decrease
SOMA	7.9%	8.0%	-0.1 percentage point decrease
Non-CBD	18.4%	18.3%	0.1 percentage point increase
Citywide	11.8%	12.1%	-0.3 percentage point decrease

OVERALL VACANCY RATES (Direct & Sublease Space)

All Classes	Second Quarter 2011	First Quarter 2011	+/-
CBD	11.0%	11.9%	-0.9 percentage point decrease
NOMA	13.2%	14.5%	-1.3 percentage point decrease
SOMA	8.6%	8.9%	-0.3 percentage point decrease
Non-CBD	18.5%	19.4%	-0.9 percentage point decrease
Citywide	13.6%	14.5%	-0.9 percentage point decrease

Class A

	Second Quarter 2011	First Quarter 2011	+/-
CBD	10.9%	11.8%	-0.9 percentage point decrease
NOMA	13.3%	14.7%	-1.4 percentage point decrease
SOMA	8.5%	8.9%	-0.4 percentage point decrease
Non-CBD	19.0%	19.4%	-0.4 percentage point decrease
Citywide	12.8%	13.6%	-0.8 percentage point decrease

DIRECT ASKING RENTAL RATES (\$/PSF/YR, Full Service)

All Classes	Second Quarter 2011	First Quarter 2011	
CBD	\$40.35	\$37.71	
NOMA	\$40.86	\$38.31	
SOMA	\$39.52	\$36.65	
Non-CBD	\$35.26	\$27.09	
Citywide	\$38.51	\$34.87	

Class A	Second Quarter 2011	First Quarter 2011	
CBD	\$42.65	\$39.83	
NOMA	\$43.31	\$40.64	
SOMA	\$41.57	\$38.44	
Non-CBD	\$39.23	\$29.48	
Citywide	\$41.60	\$38.35	

LEASING ACTIVITY & NET ABSORPTION

	Second Quarter 2011	First Quarter 2011	
CBD Leasing Activity (New Leases Only) =	1,027,544	1,059,109	
YTD CBD Leasing (New Leases Only) =	2,086,653		
Citywide Leasing Activity (New Leases Only) =	1,597,272	1,408,553	
YTD Citywide Leasing (New Leases Only) =	3,005,825		
CBD Overall Net Absorption =	317,959	358,273	(Calculates Direct & Sublease Space)
YTD CBD Overall Net Absorption =	676,232		
CBD Direct Net Absorption =	255,310	50,245	(Calculates Direct Space Only)
YTD CBD Direct Net Absorption =	305,555		
Citywide Overall Net Absorption =	495,814	382,947	(Calculates Direct & Sublease Space)
YTD Citywide Overall Net Absorption =	878,761		
Citywide Direct Net Absorption =	364,356	65,813	(Calculates Direct Space Only)
YTD Citywide Direct Net Absorption =	430,169		

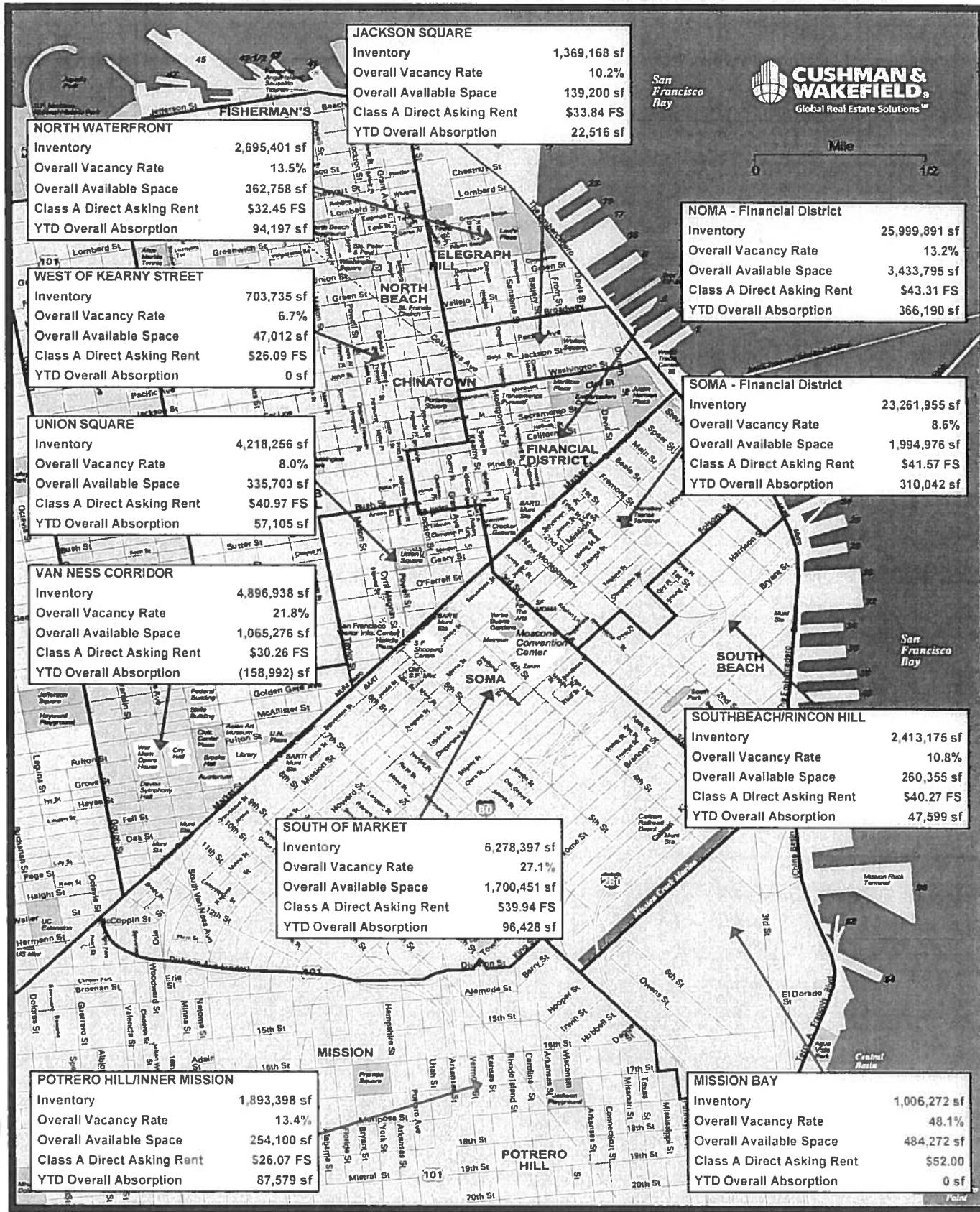
Market & Submarket Activity
Second Quarter 2011



		# of Buildings	Direct Vacancies	Direct Vacancy Rate	Direct Average Rental	Sublease Vacancies	Sublease Vacancy Rate	Sublease Average Rental	Overall Vacancies	Overall Vacancy Rate	Overall Average Rental	YTD Leasing Activity	YTD Overall Absorption	
Class A	Class	Inventory	Buildings	Direct Vacancies	Direct Vacancy Rate	Sublease Vacancies	Sublease Vacancy Rate	Sublease Average Rental	Overall Vacancies	Overall Vacancy Rate	Overall Average Rental	YTD Leasing Activity	YTD Overall Absorption	
San Francisco CBD	A	39,596,503	103	3,861,958	9.8%	\$42.65	463,191	1.2%	\$25.01	4,325,149	10.9%	\$40.90	1,696,515 617,303	
NOMA Financial District	A	19,977,743	53	2,310,171	11.6%	\$43.31	355,750	1.8%	\$23.98	2,665,921	13.3%	\$41.02	908,436 324,465	
SOMA Financial District	A	19,618,760	50	1,551,787	7.9%	\$41.57	107,441	0.5%	\$28.19	1,659,228	8.5%	\$40.69	788,079 292,838	
San Francisco Non-CBD	A	11,959,700	82	2,205,108	18.4%	\$39.23	70,954	0.6%	\$16.67	2,276,062	19.0%	\$38.60	242,017 (94,665)	
Jackson Square	A	598,696	8	34,608	5.8%	\$33.84	0	0.0%	N/A	34,808	5.8%	\$33.84	20,454 22,711	
North Waterfront	A	1,335,367	10	200,923	15.0%	\$32.45	0	0.0%	N/A	200,923	15.0%	\$32.45	34,198 54,167	
South Beach/Rincon Hill	A	966,073	8	74,354	7.7%	\$40.27	11,781	1.2%	N/A	86,145	8.9%	\$40.27	85,752 9,763	
San Francisco S. of Market	A	3,176,168	13	761,426	24.0%	\$39.94	46,671	1.5%	\$16.67	808,097	25.4%	\$38.60	67,486 18,782	
West of Kearny	A	459,735	6	12,367	2.7%	\$26.09	0	0.0%	N/A	12,367	2.7%	\$26.09	0 0	
The Presidio	A	833,255	4	183,818	22.1%	N/A	12,492	1.5%	N/A	196,310	23.6%	N/A	16,958 (43,903)	
Union Square	A	724,414	9	73,124	10.1%	\$40.97	0	0.0%	N/A	73,124	10.1%	\$40.97	11,948 1,827	
Van Ness Corridor	A	2,159,943	14	251,455	11.6%	\$30.26	0	0.0%	N/A	251,455	11.6%	\$30.26	3,941 (158,992)	
Potrero Hill/Inner Mission	A	699,777	6	128,761	18.4%	\$26.07	0	0.0%	N/A	128,761	18.4%	\$26.07	1,280 1,280	
Mission Bay	A	1,006,272	4	484,272	48.1%	\$52.00	0	0.0%	N/A	484,272	48.1%	\$52.00	0 0	
San Francisco Class A Total	A	51,556,203	185	6,067,066	11.8%	\$41.60	534,145	1.0%	\$24.14	6,601,211	12.8%	\$40.23	1,938,532 522,738	
Class B	Class	Inventory	Buildings	Direct Vacancies	Direct Vacancy Rate	Direct Average Rental	Sublease Vacancies	Sublease Vacancy Rate	Sublease Average Rental	Overall Vacancies	Overall Vacancy Rate	Overall Average Rental	YTD Leasing Activity	YTD Overall Absorption
San Francisco CBD	B	7,181,597	64	799,338	11.1%	\$28.98	38,865	0.5%	\$22.53	838,203	11.7%	\$28.75	250,100 7,422	
NOMA Financial District	B	4,640,041	34	630,388	13.6%	\$28.45	26,931	0.6%	\$20.19	657,319	14.2%	\$28.11	160,932 (15,821)	
SOMA Financial District	B	2,541,556	30	168,950	6.6%	\$30.39	11,934	0.5%	\$34.00	180,884	7.1%	\$30.47	89,168 23,243	
San Francisco Non-CBD	B	9,325,649	110	2,117,072	22.7%	\$28.97	63,809	0.7%	\$27.98	2,180,881	23.4%	\$28.91	466,381 261,868	
Jackson Square	B	696,408	13	104,592	15.0%	\$25.05	0	0.0%	N/A	104,592	15.0%	\$25.05	8,500 (195)	
North Waterfront	B	863,281	12	77,318	9.0%	\$26.77	12,926	1.5%	\$18.53	90,244	10.5%	\$25.36	76,173 55,065	
South Beach/Rincon Hill	B	769,430	10	18,262	2.4%	\$27.10	30,163	3.9%	\$32.98	48,425	6.3%	\$30.71	39,907 32,815	
San Francisco S. of Market	B	2,043,908	20	817,728	40.0%	\$30.28	1,760	0.1%	N/A	819,488	40.1%	\$30.28	20,601 72,268	
West of Kearny	B	244,000	3	25,928	10.6%	\$29.00	8,717	3.6%	N/A	34,645	14.2%	\$29.00	0 0	
The Presidio	B	162,700	3	44,700	27.5%	\$31.00	0	0.0%	N/A	44,700	27.5%	\$31.00	0 0	
Union Square	B	1,430,664	23	125,631	8.8%	\$27.55	10,243	0.7%	\$22.00	135,874	9.5%	\$27.39	45,981 37,497	
Van Ness Corridor	B	2,354,570	16	796,570	33.8%	\$28.20	0	0.0%	N/A	796,570	33.8%	\$28.20	205,903 0	
Potrero Hill/Inner Mission	B	760,588	10	106,343	14.0%	\$32.75	0	0.0%	N/A	106,343	14.0%	\$32.75	69,316 64,418	
Mission Bay	B	0	0	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A	0 0	
San Francisco Class B Total	B	16,507,246	174	2,916,410	17.7%	\$28.98	102,674	0.6%	\$26.28	3,019,084	18.3%	\$28.84	716,481 269,290	
Class C	Class	Inventory	Buildings	Direct Vacancies	Direct Vacancy Rate	Direct Average Rental	Sublease Vacancies	Sublease Vacancy Rate	Sublease Average Rental	Overall Vacancies	Overall Vacancy Rate	Overall Average Rental	YTD Leasing Activity	YTD Overall Absorption
San Francisco CBD	C	2,483,746	48	242,593	9.8%	\$26.69	22,826	0.9%	\$24.69	265,419	10.7%	\$26.55	140,038 51,507	
NOMA Financial District	C	1,382,107	25	100,736	7.3%	\$27.81	9,819	0.7%	\$18.00	110,555	8.0%	\$26.96	100,448 57,546	
SOMA Financial District	C	1,101,639	23	141,857	12.9%	\$26.29	13,007	1.2%	\$28.00	154,864	14.1%	\$26.40	39,590 (6,039)	
San Francisco Non-CBD	C	5,185,346	84	407,744	7.9%	\$23.42	25,450	0.5%	\$14.00	433,194	8.4%	\$22.26	210,774 35,226	
Jackson Square	C	74,064	3	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A	0 0	
North Waterfront	C	496,753	11	46,141	9.3%	\$24.28	25,450	5.1%	\$14.00	71,591	14.4%	\$20.48	21,026 (15,035)	
South Beach/Rincon Hill	C	677,672	11	125,785	18.6%	\$24.54	0	0.0%	N/A	125,785	18.6%	\$24.54	23,680 5,021	
San Francisco S. of Market	C	1,058,321	17	72,866	6.9%	\$19.74	0	0.0%	N/A	72,866	6.9%	\$19.74	85,233 5,378	
West of Kearny	C	0	0	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A	0 0	
The Presidio	C	0	0	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A	0 0	
Union Square	C	2,063,178	28	126,705	6.1%	\$24.88	0	0.0%	N/A	126,705	6.1%	\$24.88	47,059 17,981	
Van Ness Corridor	C	382,425	7	17,251	4.5%	\$18.00	0	0.0%	N/A	17,251	4.5%	\$18.00	0 0	
Potrero Hill/Inner Mission	C	432,933	7	18,996	4.4%	N/A	0	0.0%	N/A	18,996	4.4%	N/A	33,776 21,881	
Mission Bay	C	0	0	0	0.0%	N/A	0	0.0%	N/A	0	0.0%	N/A	0 0	
San Francisco Class C Total	C	7,669,092	132	650,337	8.5%	\$24.90	48,276	0.6%	\$17.32	698,613	9.1%	\$24.15	350,812 86,733	
All Classes		Inventory	Buildings	Direct Vacancies	Direct Vacancy Rate	Direct Average Rental	Sublease Vacancies	Sublease Vacancy Rate	Sublease Average Rental	Overall Vacancies	Overall Vacancy Rate	Overall Average Rental	YTD Leasing Activity	YTD Overall Absorption
San Francisco CBD		49,261,846	215	4,903,889	10.0%	\$40.35	524,882	1.1%	\$24.88	5,428,771	11.0%	\$38.95	2,086,653 676,232	
NOMA Financial District		25,999,891	112	3,041,295	11.7%	\$40.86	392,500	1.5%	\$23.71	3,433,795	13.2%	\$39.02	1,169,816 368,190	
SOMA Financial District		23,261,955	103	1,882,594	8.0%	\$39.52	132,382	0.6%	\$28.36	1,994,976	8.6%	\$38.83	916,837 310,042	
San Francisco Non-CBD		26,470,695	276	4,729,924	17.9%	\$35.26	160,213	0.6%	\$20.48	4,890,137	18.5%	\$34.58	919,172 202,529	
Jackson Square		1,369,188	24	139,200	10.2%	\$26.83	0	0.0%	N/A	139,200	10.2%	\$26.83	28,954 22,516	
North Waterfront		2,695,401	33	324,382	12.0%	\$28.65	38,376	1.4%	\$15.52	362,758	13.5%	\$26.42	131,397 94,197	
South Beach/Rincon Hill		2,413,175	29	218,401	9.1%	\$34.20	41,954	1.7%	\$32.98	260,355	10.8%	\$33.98	149,339 47,599	
San Francisco S. of Market		6,278,397	50	1,652,020	26.3%	\$37.63	48,431	0.8%	\$16.67	1,700,451	27.1%	\$36.67	173,320 96,428	
West of Kearny		703,735	9	38,295	5.4%	\$28.05	8,717	1.2%	N/A	47,012	6.7%	\$28.06	0 0	
The Presidio		995,955	7	228,518	22.9%	\$31.00	12,492	1.3%	N/A	241,010	24.2%	\$31.00	16,958 (43,903)	
Union Square		4,218,256	60	325,460	7.7%	\$30.35	10,243	0.2%	\$22.00	335,703	8.0%	\$30.23	104,988 57,105	
Van Ness Corridor		4,896,938	37	1,085,276	21.8%	\$29.19	0	0.0%	N/A	1,065,276	21.8%	\$29.19	209,844 (158,992)	
Potrero Hill/Inner Mission		1,893,398	23	254,100	13.4%	\$29.09	0	0.0%	N/A	254,100	13.4%	\$29.09	104,372 87,579	
Mission Bay		1,006,272	4	484,272	48.1%	\$52.00	0	0.0%	N/A	484,272	48.1%	\$52.00	0 0	
San Francisco All Classes Total		75,732,541	491	9,633,813	12.7%	\$38.51	685,095	0.9%	\$23.94	10,318,908	13.6%	\$37.42	3,005,825 878,761	

San Francisco

Second Quarter 2011 Office Market Statistics



Cushman & Wakefield Comparables Report

Date Leased	SF	Tenant Name	Building Address	Floor	Lease Term	Effective Rent	TIs	Global Real Estate Solutions™
Start Date	Leased				Exp. Date	Rent Type		Sublease Renewal
10/01/2010	18,261	California Appellate Project	101 Second Street	Entire 6th	8 Yrs.	\$37.56	\$5	No
11/01/2011		Comments: 8 year renewal.			10/31/2019	Full Service Gross		Yes
11/03/2010	17,580	ChemRisk	101 Second Street	Entire 7th	10 Yrs.	\$34.38	Turnkey ±\$30	No
03/01/2011	28,577	Moss Adams	101 Second Street	8th - 9th	10 Yrs.	\$40.35	Turnkey \$35	No
02/01/2012		Comments: 10 year term including 9 months free. \$37.28 FS start. Full 9th floor 17,642sf, part of 8th floor 10,935sf.			01/31/2022	Full Service Gross		No
05/01/2011	12,313	AppDynamics	303 Second Street	Part 4th	4 Yrs.	\$37.50	unknown	No
07/01/2011		Comments: 4 year term including 3 months free.			06/30/2015	Full Service Gross		No
02/01/2011	17,522	BitTorrent	303 Second Street	Part 2nd	3 Yrs. 2 Mos.	\$35.95	\$15	No
05/01/2011		Comments: 3 year term plus 2 months free at start. \$36.78 FS start with \$1 annual increases			06/30/2014	Full Service		No
08/24/2010	30,000	Hewlett Packard	303 Second Street	Part 5th	5 Yrs.	\$33.47	\$10	No
08/01/2010		Comments: Fifth floor of the south tower. 5 year renewal including 1 month free. \$32 FS start with \$1 annual increases.			07/31/2015	Full Service Gross		Yes
07/01/2010	13,192	The Associated Press	303 Second Street	Part 6th - 8th	2 Yrs. 5 Mos.	\$34.76	As Is	No
08/01/2010		Comments: 6,834 sf renewal (6th floor) - 1 year and 5 months of additional term			12/31/2012	Full Service Gross		No
08/02/2010	36,620	United Business Media (UBM)	303 Second Street	Entire 9th	10 Yrs. 5 Mos.	\$36.48	\$45	No
02/01/2011		Comments: 10 year term plus 5 months free. \$33.50 FS start with \$1 annual increases.			06/30/2021	Full Service		No
01/01/2011	14,335	Sony Corporation	400 Second Street	Entire 2nd	2 Yrs. 1 Mo.	\$27.52	\$13.50	No
03/01/2011		Comments: 25 month term with 12 mos. at \$27 FS and 13 mos. at \$28 FS.			03/31/2013	Full Service Gross		No
10/07/2010	11,301	Extole, Inc.	South End Warehouse 625 Second Street	Part 1st	2 Yrs. 11 Mos.	\$20.17	N/A	No
11/01/2010		Comments: 35 month term.			08/30/2013	Full Service Gross		No
07/19/2010	12,901	Ticketmaster	Convention Plaza 201 Third Street	Part 6th	3 Mos.	\$35.00	As Is	No
10/01/2010		Comments: 3 month extension.			12/31/2010	Full Service Gross		Yes
12/20/2010	12,901	Ticketmaster	Convention Plaza 201 Third Street	Part 6th	2 Mos.	\$35.00	As Is	No
01/01/2011		Comments: 2 month extension.			02/28/2011	Full Service Gross		Yes
10/22/2010	13,467	Demandforce	Pacific Place 22 Fourth Street	Part 11th	4 Yrs. 2 Mos.	\$27.10	±\$20	No
11/01/2010		Comments: 4 year 2 month term including 5 months free.			12/31/2014	Full Service Gross		No

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Cushman & Wakefield Comparables Report

Date Leased	SF	Tenant Name	Building Address	Floor	Lease Term	Effective Rent	Rent Type	TIs	Sublease	Renewal
Start Date	Leased			Exp. Date						
08/23/2010	18,800	Lunar Design	2012 16th Street	1st - 2nd	5 Yrs.	\$17.00	\$500k total	No	No	No
11/01/2010					10/31/2015	Industrial Gross				
Comments:		5 year term including 2 months free. Landlord \$100k in TI's, tenant \$400k in TI's.								
06/13/2011	28,121	Vertical Response	Blue Shield of California Building	Entire 10th	3 Yrs.	\$33.00	As Is	No	No	No
11/01/2011			50 Beale Street		10/31/2014	Full Service Gross				
Comments:	3 year term including 2 months free. \$33.88 FS start with \$1 annual increases.									
07/01/2010	57,401	UCSF Center for AIDS Prevention Studies	Blue Shield of California Building	12th - 13th	5 Yrs.	\$32.00	\$1	No	No	Yes
09/01/2010			50 Beale Street		08/31/2015	Full Service Gross				
Comments:	5 year renewal with some free rent included.									
11/01/2010	55,000	Catholic Healthcare West	China Basin - Wharfside Building	2nd - 3rd	10 Yrs.	\$37.17	\$20	No	No	Yes
01/01/2011			185 Berry Street		12/31/2020	Full Service Gross				
Comments:	10 year renewal including 8 months free. \$35 FS start with \$1 annual increases. Most of the 3rd floor and two small suites on 2nd.									
04/18/2011	12,589	VeriSign, Inc.	China Basin - Wharfside Building	Part 1st	5 Yrs.	\$39.00	\$60	No	No	No
07/01/2011			185 Berry Street		06/30/2016	Full Service Gross				
Comments:	5 year 3 month term including first 3 months free. \$37 FS start with \$1 annual increases.									
07/13/2010	31,891	Cisco Systems	China Basin - Wharfside Building	Part 3rd - 4th	5 Yrs.	\$33.16	\$40	No	No	No
12/01/2010			185 Berry Street		1/1/30/2015	Full Service Gross				
Comments:	Expansion space. 5 year term including 5 months free. \$34 FS start with \$1 annual increases.									
09/15/2010	12,172	DPR	301 Brannan Street	Part 2nd	2 Yrs.	\$35.00	\$5	No	No	No
11/01/2010					10/31/2012	Industrial Gross				
Comments:										
10/01/2010	27,320	Steelcase	San Francisco Multimedia Center	Part 1st	10 Yrs.	\$42.75	\$10	No	No	Yes
06/01/2010			475 Brannan Street		05/31/2020	Full Service Gross				
Comments:	10 year renewal. \$36 FS start with \$1.50 annual increases.									
11/01/2010	17,143	SY Partners	San Francisco Multimedia Center	Part 1st	5 Yrs.	\$40.67	As Is	No	No	Yes
09/01/2010	18,097	Microsoft	475 Brannan Street		10/31/2015	Industrial Gross				
10/01/2010										
Comments:	5 year renewal.									
09/01/2010	27,320	One Work Place	San Francisco Multimedia Center	Part 2nd	3 Yrs.	\$34.94	As Is	No	No	Yes
10/01/2011			475 Brannan Street		09/30/2013	Industrial Gross				
Comments:	3 year renewal.									
09/01/2010	27,320	Powerset	San Francisco Multimedia Center	Part 1st - 2nd	10 Yrs.	\$43.75	\$10	No	No	Yes
10/01/2011			475 Brannan Street		09/30/2021	Industrial Gross				
Comments:	10 year term.									
01/15/2011	13,907	Grass Valley	San Francisco Multimedia Center	Part 4th	7 Yrs. 6 Mos.	\$43.50	\$18	No	No	No
03/01/2011			475 Brannan Street		08/31/2018	Full Service Gross				
Comments:	7 year term plus 6 months free at start. \$36 IG start with \$1.50 annual increases. \$5 gross up. \$38.50 IG effective + \$5 = \$43.50 FS effective.									
10/01/2010	18,097	Powerset	San Francisco Multimedia Center	Part 3rd	3 Yrs.	\$29.94	As Is	No	No	Yes
01/01/2011			475 Brannan Street		12/31/2013	Industrial Gross				
Comments:	3 year extension including 4 months free. \$32, \$33.50 & \$35 IG.									

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Cushman & Wakefield Comparables Report

Date Leased	SF	Tenant Name	Building Address	Floor	Lease Term	Effective Rent	TIs	Sublease Renewal
Start Date	Leased				Exp. Date	Rent Type		
07/01/2010	52,000	Conifer Securities	The Ferry Building	Part 2nd	8 Yrs.	\$48.00	\$45	No
07/01/2010		Comments: 8 year renewal including 1 month free.			06/30/2018	Full Service Gross		Yes
05/17/2011	15,000	Rackspace	820 Folsom Street	Entire 1st	7 Yrs.	\$31.50	\$20	No
		Comments: 7 year term. \$28,50 SF start with \$1 annual increases.			04/30/2018	Full Service Gross		No
06/15/2010	73,076	California Department of Insurance	45 Fremont Street	21st - 24th	8 Yrs.	\$35.00	\$12	No
11/01/2010		Comments: 8 year renewal, 4 years fixed. 5 months free rent in remainder of term. Only \$5.60 in broker fees.			10/31/2018	Full Service Gross		Yes
02/01/2011	57,081	Wells Fargo Bank	45 Fremont Street	28th - 34th	10 Yrs.	\$45.80	see comments	No
06/01/2011		Comments: 10 year term. Floor 29 with \$40 T's, floor 30 with \$50 T's & floor 34 with \$60 T's.			05/31/2021	Full Service Gross		No
08/10/2010	42,520	StubHub	199 Fremont Street	3rd - 4th	7 Yrs.	\$29.50	\$20	No
09/01/2010		Comments: 7 year term including 6 months free. \$26 start. Net of electric lease with \$2 gross up.			08/31/2017	Full Service Gross		No
04/21/2011	15,043	Mozilla	Hills Plaza-Landmark Two Harrison Street	Entire 7th	7 Yrs.	\$52.18	\$30	No
06/01/2011		Comments: 7 year term including 3 months free. \$5.1 FS start with \$1 annual increases.			05/31/2018	Full Service Gross		No
12/06/2010	34,700	Wharton School of Business	Hills Plaza-Landmark Two Harrison Street	Entire 6th	10 Yrs.	\$48.00	\$25	No
10/01/2011		Comments: 10 year term including 4 months free.			09/30/2021	Full Service Gross		No
05/02/2011	15,226	Granicus	600 Harrison Street	Part 1st	3 Yrs. 4 Mos.	\$23.40	Paint & Carpet	No
06/01/2011		Comments: 3 year term plus 4 months free. \$26 FS flat over term.			09/30/2014	Full Service Gross		No
02/01/2011	31,179	ABM Industries Inc.	600 Harrison Street	Entire 6th	10 Yrs.	\$37.00	Net of Janitorial	No
07/01/2011		Comments: Entire 4th floor 40,428 sf and a portion of the 1st floor 5,415 sf.			06/30/2021			No
06/21/2010	45,982	Premier Retail Networks, Inc. (PRN)	600 Harrison Street	Part 1st - 4th	3 Yrs. 7 Mos.	\$24.36	N/A	No
02/14/2011		Comments: Entire 4th floor 40,428 sf and a portion of the 1st floor 5,415 sf.			08/31/2014	Gross		No
08/10/2010	10,577	Limelight Networks	The Coffee Tower	Entire 1st - Mezzanine	5 Yrs.	\$26.00	Turnkey ±\$40	No
12/15/2010		Comments: Ground floor and mezzanine space. 5 year term. \$24 FS start with \$1 annual increases.			12/14/2015	Full Service Gross		No
06/28/2010	12,706	MSA Planning and Design Consultants, Inc.	The Coffee Tower	Entire 3rd	7 Yrs.	\$25.82	Turnkey, \$40	No
11/01/2010		Comments: 7 year term including 5 months free (mos 1-2, 16th, 28th & 40th). \$25 FS start with 3% annual increases.			10/31/2017	Full Service Gross		No
04/01/2011	33,155	WSP Flack & Kurtz, Inc.	642 Harrison Street	Part 6th	7 Yrs.	\$36.00	see comments	No
07/01/2011		Comments: \$33 start with \$1 annual increases, no free rent. Renewal of 5th floor - 21,658 sf, expansion on 6th floor - 11,497 sf. Tenant improvements 5th floor - \$15, 6th floor - \$40. One 5-year option to renew.			06/30/2018	Full Service Gross		No

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Cushman & Wakefield Comparables Report

Date Leased	SF	Tenant Name	Building Address	Floor	Lease Term	Effective Rent	Sublease
Start Date	Leased				Exp. Date	Rent Type	Renewal
07/30/2010 02/01/2011	45,884 Comments: 7 year term plus 5 months free. Low \$30's effective.	International Gaming Technology (IGT)	The Orick Building - Foundry Square II 405 Howard Street	Part 6th Comments: 5 year 6 month term including 6 months free at start. \$31 IG start with \$1 annual increases.	7 Yrs. 06/30/2018	\$22.00 Comments: 7 year renewal including 1 month free.	No No No
04/01/2011 01/01/2011	33,252 Comments: 7 year renewal including 1 month free.	Idle Games	875 Howard Street	Entire 4th Comments: Steuart tower. 7.5 year term. \$51 FS start with \$1 annual increases.	6 Yrs. 09/30/2017	\$20.45 Comments: Spear Tower. 10 year term including 6 month free. \$70 FS start with \$1 annual increases.	No No
12/04/2010 01/01/2010	10,197 Comments: 7 year renewal including 1 month free.	Zenith Administrators	221 Main Street	Part 2nd Comments: Steuart tower. 7.5 year term. \$51 FS start with \$1 annual increases.	7 Yrs. 12/31/2017	\$27.68 Comments: Spear & Steuart Towers One Market Plaza	No Yes
06/03/2010 11/01/2010	17,598 Comments: 7 year renewal including 1 month free.	CAI International	Spear & Steuart Towers One Market Plaza	Entire 9th Comments: Spear Tower. 10 year term including 6 month free. \$70 FS start with \$1 annual increases.	7 Yrs. 04/30/2018	\$53.63 Comments: Spear & Steuart Towers One Market Plaza	No No
03/01/2011 01/01/2012	21,547 Comments: 7 year term including 3 months free. \$37 FS start with \$1 annual increases.	Fortress Investment Group	Spear & Steuart Towers One Market Plaza	Entire 42nd Comments: Spear Tower. 10 year term including 6 month free. \$70 FS start with \$1 annual increases.	10 Yrs. 12/31/2021	\$71.00 Comments: Metropolitan Life Building 425 Market Street	No No
04/29/2011 07/01/2011	27,506 Comments: 7 year term including 3 months free. \$37 FS start with \$1 annual increases.	Ragus	Entire 22nd Comments: Early renewal (11/1/11-10/31/21) of 91,666sf on part of 3, all of 7 & 11 - \$34 FS effective + 32nd floor \$60-66 psf FMRR (\$57.50) = \$41.37 FS effective. Expansion (11/1/11-10/31/21) of 18,922sf on remainder of 3rd - \$32.50 FS effective, \$30 TI's on renewal & \$50 TI's on expansion.	7 Yrs. 06/30/2018	\$38.68 Comments: Meckler Bulger Tilson Marick & Pearson L.P.	\$15 Comments: 5 year term including 1 month free.	No Yes
03/09/2011 11/01/2011	110,588 Comments: 3 year renewal. Floors 4-6. \$32.77 FS effective on floors 4&5 and \$32.56 effective on floor 6.	Sephora USA, Inc.	525 Market Street Comments: 10 year renewal. Floors 7, 9 & 10. Upper \$20's effective.	Part 3rd - 32nd Comments: SelectQuote Insurance	10 Yrs. 10/31/2021	\$41.37 Comments: Chapman Cutler	No No
04/02/2011 09/01/2011	11,755 Comments: 3 year renewal including 6 months free. \$34 FS start with \$1 annual increases. Half of the \$32 TI can be used for free rent. Right to terminate after 5 years with 3 month rent penalty.	Market Center L.P.	Entire 22nd Comments: 5 year term including 1 month free.	5 Yrs. 08/31/2016	\$34.50 Comments: 10 year renewal. Floors 7, 9 & 10. Upper \$20's effective.	Carpet Comments: 10 year renewal including 6 months free. \$34 FS start with \$1 annual increases.	No Yes
01/01/2011 01/01/2011	36,324 Comments: 10 year renewal including 6 months free. \$34 FS start with \$1 annual increases. Half of the \$32 TI can be used for free rent. Right to terminate after 5 years with 3 month rent penalty.	California Dept. of General Services	Market Center 575 Market Street	4th - 6th Comments: Chapman Cutler	3 Yrs. 12/31/2013	\$32.77 Comments: SelectQuote Insurance	No Yes
06/24/2010 07/01/2010	34,000 Comments: 10 year renewal including 6 months free. \$34 FS start with \$1 annual increases. Half of the \$32 TI can be used for free rent. Right to terminate after 5 years with 3 month rent penalty.	595 Market Street	7th - 10th Comments: 10 year renewal. Floors 7, 9 & 10. Upper \$20's effective.	10 Yrs. 06/30/2020	\$28.00 Comments: Chapman Cutler	\$40 Comments: 10 year renewal including 6 months free. \$34 FS start with \$1 annual increases.	No Yes
05/06/2011 11/01/2011	14,604 Comments: 10 year renewal including 6 months free. \$34 FS start with \$1 annual increases. Half of the \$32 TI can be used for free rent. Right to terminate after 5 years with 3 month rent penalty.	595 Market Street	Entire 26th Comments: Chapman Cutler	10 Yrs. 10/31/2021	\$36.80 Comments: Chapman Cutler	\$32 Comments: 10 year renewal including 6 months free. \$34 FS start with \$1 annual increases.	No Yes
10/26/2010	37,737 Comments: 7 year term plus 2 months free. \$28.75 CS start with \$1 annual increases.	Macy's.com	Monadnock Building 685 Market Street	Entire 6th - 7th Comments: Chapman Cutler	7 Yrs. 03/01/2022	\$31.01 Comments: Chapman Cutler	No Yes

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Cushman & Wakefield Comparables Report

Date Leased	SF	Tenant Name	Building Address	Floor	Lease Term	Effective Rent	Rent Type	TIs	Sublease
Start Date	Leased				Exp. Date				Renewal
07/15/2010	70,989	Salesforce	123 Mission Street	19th - 23rd	10 Yrs.	\$31.00	Full Service Gross	\$60	No
01/01/2011					12/31/2020				No
Comments:									
01/01/2011	13,882	Tioga Energy	123 Mission Street	Entire 9th	5 Yrs.	\$29.72	Full Service Gross	\$25	No
Comments:					12/31/2015				No
01/25/2011	55,977	Salesforce	123 Mission Street	Part 11th - 24th	5 Yrs.	\$28.97	Full Service Gross	N/A	No
02/01/2011					01/31/2016				No
Comments:									
05/19/2011	13,882	Affiliated Engineers, Inc.	123 Mission Street	Entire 7th	10 Yrs.	\$30.50	Full Service Gross	\$60	No
Comments:					10/31/2021				No
Comments:	10 year term including 11 months free.								
02/25/2011	15,608	Boku, Inc.	201 Mission Street	Entire 10th	4 Yrs.	\$30.25	Full Service Gross	\$60	No
05/01/2011					04/30/2015				No
Comments:	4 year term including 2 months free. \$30 FS start with \$1 annual increases.								
08/30/2010	166,435	Deloitte & Touche	525 Mission Street	Entire 4th - 15th	15 Yrs.	\$46.50	Full Service Gross	\$65	No
Comments:	7/01/2011 Floors 4-7 and 10-15 (note 4-5 have no windows on 1 side and 6 has a parapet blocking view). 7/1/11 start date. 15 year effective rate (FSC) of \$46.50. \$65 TI + special allowance of \$40/sf to cover buyout. Commission of \$12/sf was added as TI as the broker was paid by Deloitte directly. They have a hold space option on floors 25/26 and option on 33 in 2015.				06/30/2026				No
10/04/2010	16,500	CVE (Community Vocational Enterprises)	818 Mission Street	3rd - 5th	10 Yrs.	\$20.72	Full Service Gross	\$15	No
10/15/2010					10/14/2020				No
Comments:	10 year term. \$17 FS start with \$2 bumps every 2 years. Paying on 11,000 sf in year 1.								
06/01/2010	31,748	Trulia	The Rialto Building	3rd - 4th	4 Yrs.	\$26.63	Full Service Gross	\$27.50	No
10/01/2010			116 New Montgomery Street		09/30/2014				No
Comments:	4 year term including 3 months free. \$26 FS start with \$1.50 annual increases.								
10/03/2010	14,338	Nelson/Nygaard Consulting Associates	The Rialto Building	Part 5th	10 Yrs.	\$33.00	Full Service Gross	\$30	No
01/01/2011			116 New Montgomery Street		12/31/2020				No
Comments:	10 year term. \$28.50 FS start with \$1 annual increases.								
03/11/2011	23,683	Intrax Cultural Exchange	One Rincon Center	Part 4th	12 Yrs.	\$33.00	Full Service Gross	\$50	No
06/01/2011			101 Spear Street		05/31/2023				No
Comments:	Mid-\$30's effective.								
01/01/2011	15,560	Forrester Research	150 Spear Street	Entire 11th	5 Yrs. 3 Mos.	\$35.05	Full Service Gross	\$60	No
04/01/2011					06/30/2016				No
Comments:	5 year term + 3 months free. Tenant also has right of first refusal on 10th floor								
05/03/2011	17,500	Google	Hills Plaza-Tower	Part 5th	4 Yrs. 10 Mos.	\$35.00	Full Service Gross	\$40	No
03/01/2011			345 Spear Street		02/29/2016				No
Comments:	5 year term including 3 months free.								
09/24/2010	63,817	Google	Hills Plaza-Tower	Entire 6th	5 Yrs.	\$46.00	Full Service Gross	\$20	No
03/01/2011			345 Spear Street		02/29/2016				No
Comments:									

Prepared by Cushman & Wakefield Research
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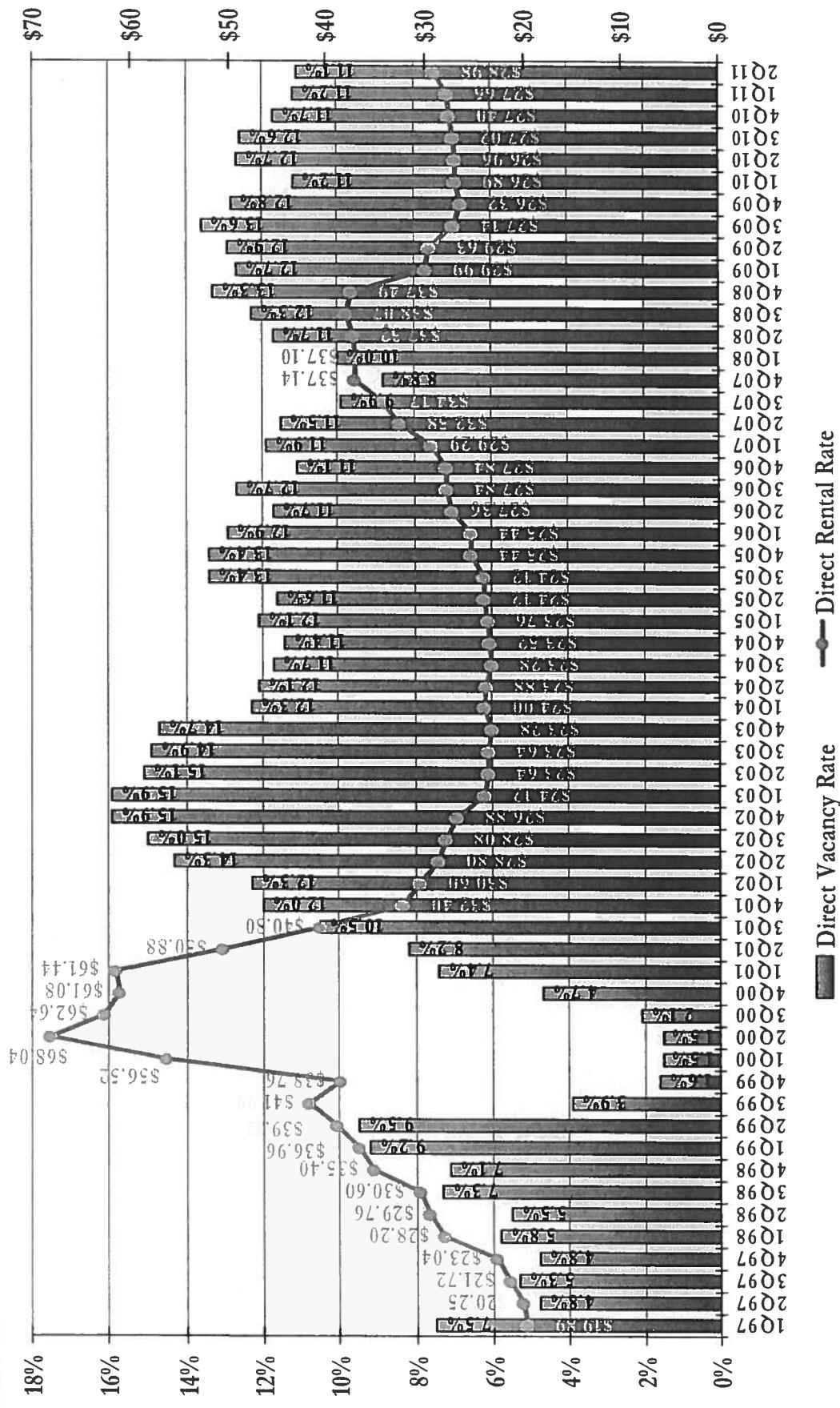
Cushman & Wakefield Comparables Report

Date Leased	SF	Tenant Name	Building Address	Floor	Lease Term	Effective Rent	TIS	Sublease	Global Real Estate Solutions™
Start Date	Leased				Exp. Date	Rent Type			Renewal
03/01/2011	12,307	Bare Essentials Beauty, Inc.	Stevenson Place 71 Stevenson Street	Entire 21st	4 Yrs. 1 Mo. 04/30/2015	\$28.33 Full Service Gross	unknown	No	No
Comments:	4 year 1 month term including 2 months free. \$28 FS start with \$1 annual increases.								
11/01/2010	28,839	Federated Media Publishing	72 Townsend Street	All Floors	5 Yrs. 10/31/2015	\$27.00 Modified Gross	\$30	No	No
Comments:	5 year term. \$25 MG with \$1 annual increases.								
10/15/2010	21,568	OutCast Communications	The Townsend Building 123 Townsend Street	Part 3rd	5 Yrs. 11/30/2015	\$36.10 Industrial Gross	\$12	No	No
Comments:	Move from 13,763 sf on 5th floor.								
12/01/2010	13,763	AKOA, Inc.	The Townsend Building 123 Townsend Street	Part 5th	5 Yrs. 11/30/2015	\$37.50 Full Service Gross	N/A	No	No
Comments:	Expansion space. 4 year term. \$36 FS start with \$1 annual increases. Coterminous with existing lease.								
03/25/2011	10,925	INQ Mobile	139 Townsend Street	Part 4th	5 Yrs. 04/30/2016	\$36.00 Industrial Gross	\$15	No	No
Comments:									
10/03/2010	270,000	Zynga	Townsend Center 650 Townsend Street	Part Concourse - 6th	7 Yrs. 04/30/2017	\$22.00 unknown	No	No	No
Comments:	Rumor compil! Rent starts in high-teens with low-\$20's NNN effective								

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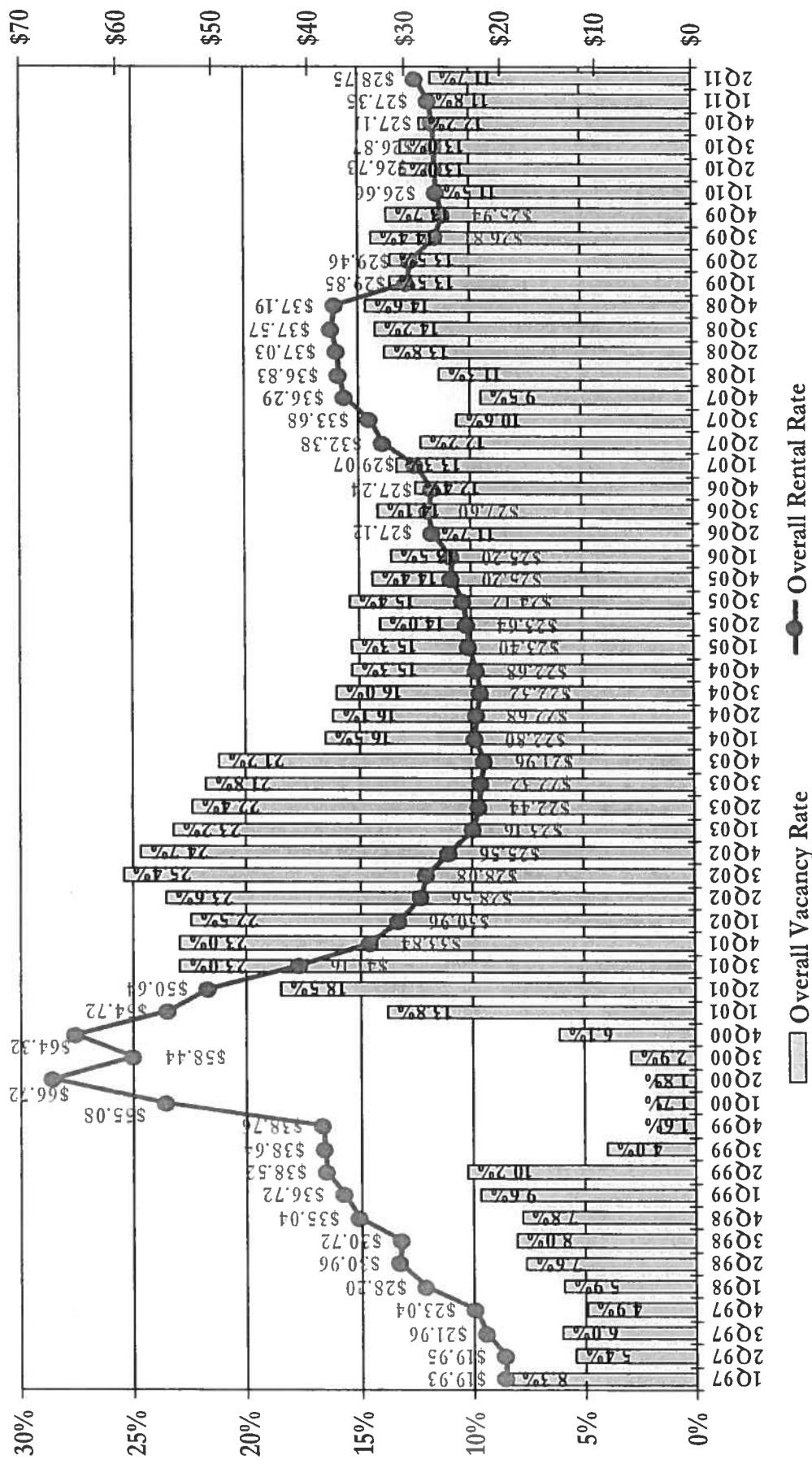
Central Business District (CBD)

Class B Direct Quarterly Trends



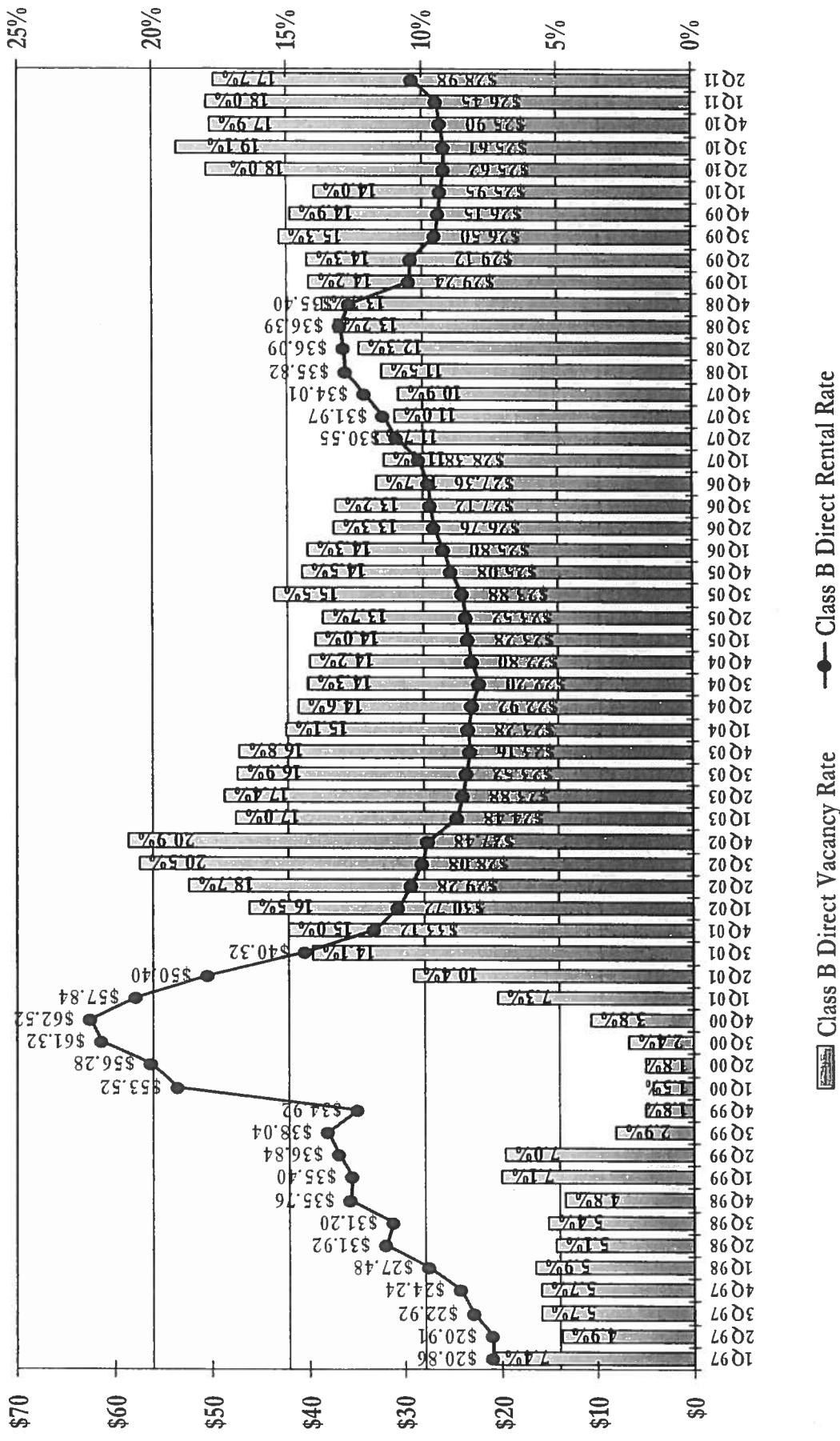
Central Business District (CBD)

Class B Overall Quarterly Trends



San Francisco - Citywide

Class B Direct Quarterly Trends



San Francisco - Citywide

Class B Overall Quarterly Trends

